



GLOBESEURE TECHNOLOGIES LIMITED

Our Company was originally incorporated as “Globesecure Technologies Private Limited” on February 9, 2016, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting of our Company held on June 27, 2019, our Company was converted into a public limited company and consequently, the name of our Company was changed to “Globesecure Technologies Limited” and a Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated August 2, 2019 was issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number of our Company is L72200MH2016PLC272957. For further details of Incorporation and Change of Registered Office of our company, please refer to chapter titled “General Information” beginning on page 40 of this Draft Letter of Offer.

Registered Office: A-309, Sagartech Plaza, Andheri Kurla Road, Opp. Rubber Factory, Sakinaka, Andheri East, Mumbai – 400072, Maharashtra, India
Tel. No.: +91-22- 4978 9686; **E-mail:** info@globesecure.in; **Website:** www.globesecure.in;
Contact Person: Ms. Heta Desai, Company Secretary & Compliance Officer
Corporate Identity Number: L72200MH2016PLC272957

PROMOTERS OF OUR COMPANY

MR. RAGAVAN RAJKUMAR AND MR. SARVANAN NARAYANASAMY

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GLOBESEURE TECHNOLOGIES LIMITED (“COMPANY” OR “ISSUER”) ONLY

THE ISSUE

ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ [●] LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE(S) FOR EVERY [●] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES OF THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 97 OF THIS DRAFT LETTER OF OFFER.

WILFUL DEFAULTERS OR A FRAUDULENT BORROWER

Neither our Company, our Promoters nor our Directors’ are categorized as wilful defaulters or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or Fraudulent Borrower issued by the Reserve Bank of India.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares being offered in this Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this draft Letter of Offer. Investors are advised to refer to the “Risk Factors” on page 22 of this Draft Letter of Offer before making an investment in the Issue.

COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing equity shares of our Company are listed on EMERGE Platform of National Stock Exchange of India (“NSE EMERGE”). We have received “In-Principle” approval from NSE for listing the Rights Equity Shares arising from the Issue vide letter dated [●]. Our Company will also make applications to NSE to obtain trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022. For the purposes of the Issue, the Designated Stock Exchange is NSE.

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
CIN: U74899DL1995PTC071324
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No.: +011-40450193-197; Fax No: +011-26812683
E-Mail Id: ipo@skylinerta.com
Investor Grievance E-Mail Id: grievance@skylinerta.com
Website: www.skylinerta.com
Contact Person: Mr. Anuj Rana
SEBI Registration No.: INR000003241

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSING DATE#
[●]	[●]	[●]

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

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Draft Letter of Offer, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to “Globesecure Technologies Limited”, “GSTL”, the/our “Company”, “we”, “our”, “us” or similar terms are to Globesecure Technologies Limited or, as the context requires, and references to “you” are to the equity shareholders and/ or prospective investors in the Equity Shares.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Financial Information*”, “*Outstanding Litigations and Material Developments*” and “*Terms of the Issue*” on pages 51, 53, 78, 86 and 97 respectively, shall have the meaning given to such terms in such sections.

Conventional or General Terms

Term	Description
“Annual Audited Financial Statements”	The audited financial statements of our Company for Fiscal 2024, Fiscal 2023 and Fiscal 2022, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
“Globesecure Technologies Limited”, or “GSTL”, or “Company”, or “Our Company” or “we”, “us”, or “our” and the “Issuer Company”.	Globesecure Technologies Limited, a public limited company incorporated under the provisions of the Companies Act, 2013.
₹/ Rs. / Rupees / INR	Indian Rupees
ASBA	Application Supported by Blocked Amount
Associate	The Company do not have any Associate Company
Audit Committee	The committee of the Board of Directors constituted as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Auditors/ Statutory Auditors/ Peer Review Auditor	The current Statutory Auditors of our company being M/s Kumbhat & Co., Chartered Accountants
AY	Assessment Year
Board of Directors	Board of Directors of our Company
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended
Chairman & Managing Director	The Chairman & Managing Director of the Company is Mr. Ragavan Rajkumar.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Amit Kesto Das.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Heta Desai
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depositories Act	The Depositories Act, 1996 and amendments thereto

Term	Description
DP or Depository Participant	Depository Participant as defined under the Depositories Act
Eligible Shareholder(s) or “Eligible Equity Shareholder(s)”	Eligible holder(s) of the equity shares of Globesecure Technologies Limited as on the Record Date
Erstwhile Companies Act	The Companies Act, 1956, which has been repealed and replaced by the New Companies Act, 2013
EPS	Earnings Per Share
IT Act	The Income Tax Act, 1961 and amendments thereto
Ind AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Companies (Indian Accounting Standards) Rules 2015, as amended
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled “Our Management” beginning on page 68 of this Draft Letter of Offer;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled “Our Management” beginning on page 68 of this Draft Letter of Offer
MoA/ Memorandum of Association	The Memorandum of Association of Globesecure Technologies Limited, as amended from time to time
NAV	Net Asset Value per share.
NEFT	National Electronic Fund Transfer
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Non-Executive Director	Director, not being an Executive Director of our Company
NR/Non – Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non-resident external account
NRI	Non-resident Indian
OCB	Overseas Corporate Body
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	Reserve Bank of India
Registered Office	A-309, Sagartech Plaza, Andheri Kurla Road, Opp. Rubber Factory, Sakinaka, Andheri East, Mumbai – 400072, Maharashtra, India.
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI Listing Regulations/ SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Regulations/ SEBI ICDR Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 and amendments thereto
SAST Regulations, 2011/ Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Stakeholders Relationship Committee	The committee of the Board of Directors reconstituted as our Company’s Stakeholders Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Stock Exchange	Emerge Platform of National Stock Exchange of India Limited;

Issue Related Terms

Term	Description
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Term	Description
Abridged Letter of Offer	The abridged Letter of Offer to be sent to the Equity Shareholders as on the Record date with respect to this Issue in accordance with SEBI Regulations
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlements;
Allotment	Unless the context requires, the allotment of Equity Shares pursuant to the Issue
Allottee(s)	Persons to whom Equity Shares are issued pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Rights Equity Shares pursuant to this Issue in terms of this draft Letter of Offer
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, i.e., ₹ [●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
ASBA/ Application Supported by Blocked Amount.	Application used by an investor to make an application authorizing the SCSB to block the Application Money in an ASBA account maintained with the SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the appropriate amount in relation to an application by an ASBA Investor
ASBA/Investor/ASBA applicant	An investor (Equity Shareholder or Renouncee) who is intending to subscribe the Equity Shares of our Company under this Issue applying through blocking of funds in a bank account maintained with SCSBs.
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being [●]
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in the Issue, and which is described in the chapter titled “Terms of the Issue” beginning on page 97 of this Draft Letter of Offer;
Controlling Branch of SCBs	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	Details of Investors including the Investor’s address, name of the Investor’s father/husband, investor status, occupation and bank account details, where applicable
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited

Term	Description
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This Draft Letter of Offer dated May 16, 2024
Eligible Equity Shareholder(s)	Eligible holder(s) of the Equity Shares of Globesecure Technologies Limited as on the Record Date;
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident investors;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Equity Share(s) or Share(s)	Equity shares of our Company having a face value of ₹10.00 each unless otherwise specified in the context thereof
Equity Shareholder/Shareholder	Means a holder of Equity Shares of our Company
Financial Year/ Fiscal/ Fiscal Year/ FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
Issue/ Rights Issue	Issue of [●] Rights Equity Shares of face value of ₹ 10.00 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share), for an amount collectively not exceeding ₹ [●]* lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date. The issue price for the rights equity shares is [●] Times the face value of the equity shares. *Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.
Investor(s)	Equity Shareholders as on Record Date and/or Renounees applying in the Issue.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [●] for Rights Securities issued in one Rights Entitlement, (i.e. ₹ [●] per Rights Equity Share, including a premium of ₹ [●] per Rights Equity Share).
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Issue Size	The issue of [●] Equity Shares for an amount aggregating up to ₹ [●] Lakhs.
Letter of Offer/ LoF	The final Letter of Offer to be filed with the Stock Exchange after incorporating the observations received from the NSE on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/ Renounee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled "Objects of the Issue" beginning on page 46 of this Draft Letter of Offer.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circular and the circulars issued by the Stock Exchanges, from time to time,

Term	Description
	and other applicable laws, on or before [●].
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circular and the circulars issued by the Depositories, from time to time, and other applicable laws
Non-Institutional Investors	All Investors including sub-accounts of FIIs/ FPIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for a cumulative amount more than ₹ 2.00 Lakhs
Payment Schedule	Payment schedule under which 100.00% of the Issue Price is payable on Application, i.e., ₹ [●] per Rights Equity Share.
Promoters	The Promoters of our Company, being Mr. Ragavan Rajkumar and Mr. Saravanan Narayanasamy
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the Stock Exchanges under the SEBI (LODR) Regulations.
Offer Document	Means Letter of Offer/ Abridged Letter of Offer
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circular and the circulars issued by the Depositories, from time to time, and other applicable laws.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable
Registrar to the Issue	Skyline Financial Services Private Limited
Registrar Agreement	Agreement dated [●], 2024 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Renounees	Any person(s) who, not being the original recipient has/have acquired the Rights Entitlement, in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date i.e. [●];
Retail Individual Investors/RIIs	Individual Investors who have applied for Equity Shares for an amount not more than ₹ 2.00 lakhs (including HUFs applying through their Karta)
Rights Entitlement	The right to apply for the Rights Equity Shares, being offered by way of this Issue, by an Investor, in accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, in this case being [●] ([●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder, on the Record Date, excluding any fractional entitlements. <i>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</i>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity

Term	Description
	Shareholders. The Rights Entitlements are also accessible on the website of our Company.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment.
Self-Certified Syndicate Banks/SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=3
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or a Fraudulent Borrower	A Company or person categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or a fraudulent borrowers issued by the RBI, including any Company whose director or promoter is categorized as such.
Working Day(s)	Working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Industry Related Terms

Term	Description
AI	Artificial Intelligence
API	Application Programming Interface
AWS	Amazon Web Services
BDR	Backup and Disaster Recovery
BFSI	Banking Financial Services and Insurance
BPM	Business Process Management
CISO	Chief information Security Officer
CSOC	Cyber Security Operations Center
DevOps	Development and Operations
DGFT	Directorate General of Foreign Trade
ERP	Enterprise Resource Planning
GCI	Global Cybersecurity Index
G-SOC	Google Summer code
IDPS	Intrusion Detection and Prevention Systems
IR	Incident Response
IT	Information Technology
ITU	International Telecommunication Union
JWG	Joint Working Group
LAN	Local Area network
MDR	Managed Detection and Response
MSP	Managed Service Provider
MSSP	Managed Security Service Provider
NASSCOM	National Association of Software and Service Companies
NOC	Network Operations Centre
NSO	National Statistical Office
OEM	Original Equipment Manufacturer

Term	Description
OT/ IoT	Operational Technology/ Internet of things
POC	Proof of Concept
RBI	Reserve Bank of India
SaaS	Software as a Service
SDN	Software defined networking
SD-WAN	Software-defined Wide Area Network
SEZs	Special Economic Zones
SOC	Security Operation Centre
STPI	Software Technology Parks of India
SWGs	Secure Web Gateways
UEM	Unified Endpoint Management
UN	United Nation
UTM	Unified Threat Management
VoIP	Voice over Internet Protocol
WAN	Wide Area Network
WAP	Wireless Application Protocol
Wi-Fi	Wireless Fidelity

Abbreviations

Term	Description
Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
CAF	Common Application Form
CFO	Chief Financial Officer
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Consolidated FDI Policy The	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID- 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
DIN	Director Identification Number
DP ID	Depository Participant's Identity
DR	Depository Receipts
EGM	Extraordinary General Meeting
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed there under.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
Fis	Financial Institutions
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FV	Face Value

Term	Description
FPIs	Foreign Portfolio Investors
F. Y.	Period of 12 months ending on March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GOI/ Government	Government of India
GST	Goods & Service Tax
GDR	Global Depository Receipt;
HUF	Hindu Undivided Family
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards
Indian GAAP/I-GAAP	Generally accepted accounting principles in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
ISIN	International Securities Identification Number being INE00WS01056
IT	Information Technology
JV	Joint venture
Ltd.	Limited
MCLR	Marginal Cost of Funds based Lending Rate
NR	Non-Resident
NEFT	National Electronic Fund Transfer
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
Pvt.	Private
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PBT	Profit Before Tax
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
SEBI Rights Issue circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022
STT	Securities Transaction Tax
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, any other offering material and the issue of Rights Entitlements and the Rights Securities on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter may come, are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials only to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Securities is permitted under laws of such jurisdictions. Further, this Draft Letter of Offer will be provided, only through email address, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their valid e-mail address to our Company or who are located in jurisdictions where the offer and sale of the Rights Securities is permitted under laws of such jurisdictions and in each case who make a request in this regard. And in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other materials relating to Issue will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address.

Investors can also access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar to the Issue and the Stock Exchange.

Our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer was filed with the Stock Exchange. Accordingly, the Rights Entitlements and the Rights Securities may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter and any other offering materials or advertisements in connection with this Issue may not be distributed, in whole or in part, in or into any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

This Draft Letter of Offer, the Abridged Letter of Offer, the Application Form including (by way of electronic means) or the Rights Entitlement Letter may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter must be treated as sent for information only and should not be acted upon for subscription to Rights Securities and should not be copied or re- distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter should not, in connection with the issue of the Rights Securities or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject the Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or Rights Entitlement Letter is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Securities or the Rights Entitlements referred to this Draft Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter.

Our Company is not making any representation to any person regarding the legality of an investment in the Rights Entitlements or the Rights Securities by such person under any investment or any other laws or regulations. No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlements and the Rights Securities offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Rights Securities in accordance with the legal requirements applicable in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Securities will be deemed to make the representations, warranties, acknowledgments and agreements set forth in "Other Regulatory and Statutory Disclosures" on page 89.

Neither the delivery of this Draft Letter of Offer nor any sale of Rights Securities hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. Prospective Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Securities or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Securities or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Securities regarding the legality of an investment in the Rights Securities by such offeree or purchaser under any applicable laws or regulations.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors 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 CONTENTS OF THIS DRAFT LETTER OF OFFER, LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND RIGHT SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (**THE “US SECURITIES ACT”**), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (**THE “UNITED STATES” OR “U.S.”**), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT. ACCORDINGLY, THE RIGHTS ENTITLEMENTS AND RIGHTS SECURITIES REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE US SECURITIES ACT (**“REGULATION S”**). THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS SECURITIES OR RIGHTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States of America when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States of America or otherwise dispatched from the United States of America or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Draft Letter of Offer or Abridged Letter of Offer and the Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires Rights Entitlements or Rights Securities will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that (i) it is not and that at the time of subscribing for the Rights Securities or the Rights Entitlements, it will not be, in the United States of America when the buy order is made and (ii) it is authorized to acquire the Rights Entitlement and the Rights Securities in compliance with all applicable law, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States of America, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; or (iii) where a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or Allot any Rights Securities in respect of any such Application Form.

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “US SEC”), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer, Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer, Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the “Civil Procedure Code”). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction.
- The judgment has not been given on the merits of the case.
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable.
- The proceedings in which the judgment was obtained are opposed to natural justice.
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the number of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

In this Draft Letter of Offer, unless otherwise specified or the context otherwise requires, all references to “India” contained in this Draft Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable. Also, all references to “Globesecure Technologies Limited”, “GSTL”, the/our “Company”, “we”, “our”, “us” or similar terms are to Globesecure Technologies Limited or, as the context requires, and references to “you” are to the equity shareholders and/ or prospective investors in the Equity Shares.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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

FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Draft Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2022, March 31, 2023 and March 31, 2024.

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 Draft Letter of Offer, 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. For details of the financial statements, please see the section entitled “Financial Statements” on page 78. Unless otherwise stated, references in this draft Letter of Offer to a particular ‘Financial Year’ or ‘Fiscal Year’ or ‘Fiscal’ are to the financial year ended March 31.

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2022, March 31, 2023 and March 31, 2024 in accordance General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled “*Risk Factors*” on page 22 of this Draft Letter of Offer have been calculated on the basis of the Financial Statements of our Company prepared in accordance with Ind AS and the Companies Act, 2013.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, references to “Rupees” or “Rs.” or “INR” 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 ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’.

Except as otherwise set out in this Draft Letter of Offer, certain monetary thresholds have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Draft Letter of Offer 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 this Draft Letter of Offer is reliable, it has not been independently verified.

The industry data used in this Draft Letter of Offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 22 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute “forward-looking statements”. Draft Letter of Offer contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward looking statements. These forward-looking statements may include planned projects, revenue and profitability (including without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Letter of Offer that are not historical facts.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
- Limited geographical reach;
- Dependent on few customers;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- The effect of wage pressures, hiring patterns and the time required to train and productively utilize new employees;
- Realization of contingent liabilities;
- Increased competition in industries and sector in which we operate;
- Factors affecting the industry in which we operate;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our failure to keep pace with rapid changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to manage our working capital requirements;
- Our dependence on major customers, and a loss or significant decrease in business from them;
- Our ability to obtain, maintain or renew the statutory and regulatory licenses, permits and approvals required for our business and operations;
- Our ability to accurately forecast the demand for our products, and manage our inventory;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Our ability to manage risks that arise from these factors;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” on page 22 of this Draft Letter of Offer. 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.

Future looking statements speak only as of the date of this Draft Letter of Offer. Neither we, our Directors, Manager to the Offer nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchange requirements, Our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission.

SECTION II -DRAFT LETTER OF OFFER SUMMARY

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the chapters, “*Objects of the Issue*”, “*Outstanding Litigation and Material Developments*” and “*Risk Factors*” on pages 46, 86 and 22 respectively.

Summary of Business

Globesecure Technologies Limited is a digital transformation company in India with a focus on cyber security. We have executed several cyber security transformation projects, infrastructure, and digital transformation projects for various institutions and also provide similar independent services to our clients. Through our wide range of offerings across multiple verticals, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design, and implementation, to monitoring and providing managed services.

We classify our business into the following lines of business: (i) Cyber Security; (ii) Integrated Enterprise Solutions; and (iii) Managed Services.

Objects of the Issue:

The issue proceeds are to be utilized for financing the Working Capital Requirement of the Company:

Particulars	Amount (₹ in lakhs)
To augment the existing and incremental working capital requirement of our company*	1,954.30
General Corporate Purpose#	[●]
Net Proceeds from the Issue	[●]

#Subject to the finalization of the basis of Allotment and the allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.

*Assuming full subscription and allotment

For further details, please refer to the section titled “Objects of the Issue” beginning on page 46 of this Draft Letter of Offer.

Intention and Extent of Participation by our Promoter

Our Promoter and Promoter Group vide their letter dated May 15, 2024 have undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favor by any other Promoter or member(s) of the Promoter Group of our Company or existing shareholders or third-party investors. Further, our Promoters and Promoter Group reserve the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any), subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations and in case if acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements triggers open offer obligation under SEBI (SAST) Regulations, our Promoters and our Promoter Group shall comply with the same. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Summary of Restated Financial Statements

The following table sets forth summary financial information derived from the Audited Financial Statements for Fiscal 2024, 2023 & 2022.

(₹ in lakhs)

Particulars	For the Financial Year		
	2023-2024	2022-2023	2021-2022
Share Capital	910.83	910.83	561.63
Net worth	2,115.58	2,014.45	985.42

Particulars	For the Financial Year		
	2023-2024	2022-2023	2021-2022
Revenue from Operations	2,388.54	2,582.97	2,637.08
Profit after tax	101.13	165.73	99.93
Basic EPS (in ₹)	1.11	1.94	1.89
Diluted EPS (in ₹)	1.11	1.94	1.89
Net Asset Value per share (in ₹)	23.23	22.12	17.55
Total borrowings	882.63	679.17	825.64

Summary of Outstanding Litigation and Defaults

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary Action by SEBI or Stock Exchange	Material Civil Litigation	Aggregate Amount involved (₹ in lakhs)
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	2	Nil	Nil	Nil	1,015.58

For details, please refer to chapter titled ‘*Outstanding Litigations and Material Developments*’ on page 86 of this Draft Letter of Offer.

Auditor Qualification:

No reservations, qualifications and adverse remarks have been made by our Auditors in their reports which have not been given effect to in the Financial Statements for the Financial year March 31, 2024.

Risk Factors:

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please see “*Risk Factors*” on page 22 of this Draft Letter of Offer.

Contingent Liabilities:

For details of contingent liabilities for the Financial year March 31, 2024, please see the section titled “*Financial Statements*” on page 78.

Related Party Transactions:

For details of the related party transactions, as reported in the Financial Statements, see “*Financial Statements*” on page 78 of this Draft Letter of Offer.

Financial Arrangements:

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, our directors and their relatives have 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 period of six (6) months immediately preceding the date of the Draft Letter of Offer.

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

Our Company has not issued Equity Shares for consideration other than cash during the last one (1) year immediately preceding the date of filing the Draft Letter of Offer.

SECTION III-RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to the country, the industry in which our Company operates in India, our Company or our Equity Shares. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have a material adverse effect on our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of an investment in this Issue.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including merits and risks involved.

In this section, unless the context otherwise requires, a reference to “our Company” or to “we”, “us” and “our” refers to our Company.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in “*Forward Looking Statements*” on page 18 of this Draft Letter of Offer. To obtain a better understanding of our business, you should read this section in conjunction with the section titled “*Financial Statements*” on page 78, together with all other financial information contained in this Draft Letter of Offer.

INTERNAL RISK FACTORS

Internal Risk Factors

- 1. A network or data security incident may allow unauthorized access to our network or data, harm our reputation, create additional liability and adversely impact our results of operations, financial condition, and cash flows.***

Companies are increasingly made subject to a wide variety of attacks on their networks on an ongoing basis. In addition to computer “hackers,” malicious code (such as viruses and worms), phishing attempts, employee theft or misuse, and denial of service attacks, sophisticated nation-state and nation-state supported actors engage in intrusions and attacks and add to the risks to our internal networks, cloud deployed enterprise and client facing environments and the information they store and process.

Despite significant efforts to create security barriers to such threats, it is virtually impossible for us to entirely mitigate these risks. We and our vendors may face security threats and attacks from a variety of sources. Our data, corporate systems, third-party systems and security measures may be breached due to the actions of outside parties, employee error, malfeasance, a combination of these, or otherwise, and, as a result, an unauthorized party may obtain access to our data.

A breach in our data security or an attack against our service availability, or that of our vendors, could impact our networks or networks secured by our cyber-security offerings, creating system disruptions or slowdowns and exploiting security vulnerabilities, and the information stored on our networks or those of our vendors could be accessed, publicly disclosed, altered, lost, or stolen, which could subject us to liability and cause us financial harm. Although we have not experienced any significant damages from unauthorized access by a third party of our internal network, any such negative outcomes could adversely impact the market perception of our offerings and client and investor confidence in our Company and could seriously harm our business or operating results.

- 2. Our Company is party to certain legal proceedings. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.***

Our Company is currently involved in certain legal proceedings in India which are pending at different levels of adjudication before the concerned authority/ forum, details whereof are as follows:

(₹ in Lakhs)

Sr. No.	Outstanding Litigations	No. of Outstanding Matters	Financial implications to the extent quantifiable
1.	<i>Against our Company</i>		
	Tax Proceedings		
	Direct Tax	2	1,015.58
	Indirect Tax	NIL	NIL
2.	<i>By our Company</i>		
	Civil Proceedings	NIL	NIL
	Criminal Proceedings	NIL	NIL

We cannot assure you that these proceedings will be decided in favour of our Company, as the case may be. Any adverse decision in such proceedings may render the Company liable to penalties or consequences as provided for in appropriate provision of law and may have a material adverse effect on our reputation, business and financial condition. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury and property damage, etc.

For further information, please see “*Outstanding Litigation and Other Material Developments*” beginning on page 86 of this Draft Letter of Offer.

3. *If we are not successful in executing our strategy to increase sales of our offerings to new and existing large enterprise clients, our operating results may suffer.*

Our results of operations depend in part on sales to large organizations, which have multiple digital transformation and related cyber-security requirements. Our growth strategy is therefore dependent, in part, upon increasing sales of our offerings to new and existing large enterprise clients. Sales to these clients involve risks that may not be present, or that are present to a lesser extent, with sales to smaller entities. These risks include:

- competition from larger IT services companies, that traditionally target larger enterprises, service providers, and government entities and that may have pre-existing relationships or purchase commitments from those clients;
- increased purchasing power and leverage held by large clients in negotiating contractual arrangements with us;
- more stringent requirements in our BFSI contracts, including stricter support response times; and
- longer sales cycles, particularly during the current economic slowdown, and the associated risk that substantial time and resources may be spent on a potential client that elects not to purchase our offerings.

In addition, purchases by large enterprises are frequently subject to budget constraints, multiple approvals, and unplanned administrative, processing, and other delays. Finally, large enterprises typically have longer implementation cycles, require greater product functionality and scalability and a broader range of services, demand that vendors take on a larger share of risks, sometimes require acceptance provisions that can lead to a delay in revenue recognition, and expect greater payment flexibility from vendors. All of these factors can add further risk to business conducted with these clients. If we fail to realize an expected sale from a large client in a particular quarter or at all, our business, operating results, cash flows, and financial condition, could be materially and adversely affected.

4. *Our inability to compete successfully against competitors, pricing pressures or loss of market share could materially adversely affect our business, results of operations, financial condition, and cash flows.*

The IT services market is highly competitive, and we expect competition to continue and intensify. We believe that the major competitive factors are reputation and track record, industry expertise, breadth and depth of service offerings, quality of the services offered, language, marketing and selling skills, scalability of infrastructure, ability to address customers’ timing requirements and pricing. Customers tend to engage multiple IT services providers

instead of using an exclusive IT services provider, which could reduce our revenues to the extent that customers obtain services from other competing IT services providers. Customers may prefer IT services providers that have more locations and thus more cost-effective.

Our ability to successfully compete also depends on a 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 client 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 client 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 clients. Buying patterns may change if clients become more price sensitive and accepting of low-cost suppliers. Therefore, we cannot assure you that we will be able to retain our clients while competing against such competitors. Increased competition, our inability to compete successfully, pricing pressures or loss of market share could have a material adverse effect on our business, results of operations, financial condition, and cash flows.

5. Our sales cycles can be long and unpredictable, and our sales efforts require considerable time and expense. As a result, our sales, billings and revenue are difficult to predict and may vary from period to period.

Due to the resource intensive nature of our sales efforts, the length and variability of our sales cycle and the short-term difficulty in adjusting our operating expenses, our results of operations may fluctuate. The length of our sales cycle, from proof of concept to delivery of and payment for our solutions, is typically a few months and may extend for longer durations in certain circumstances. As the length of time required to close a sale varies substantially from client to client, it is difficult to predict exactly when, or even if, we will make a sale with a potential client. In addition, as most of our clients typically allocate their IT budgets in the second half of the Fiscal year, we record an increase in revenue from contracts with customers in the fourth quarter (January to March). The loss or delay of payment in relation to one or more of these large transactions in a quarter could impact our results of operations for that quarter and any future quarters for which revenue from that transaction is delayed. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

6. Our competitive position and prospects depend on our ability to respond promptly to rapidly evolving technological and market developments and successfully manage our offerings to match changing client needs in the cyber-security and digital transformation market.

The cyber security and digital transformation markets have grown quickly and are expected to continue to evolve rapidly. Moreover, many of our clients operate in markets characterized by rapidly changing technologies and business plans, which require them to add numerous network access points and adapt increasingly complex enterprise networks, incorporating a variety of hardware, software applications, operating systems, and networking protocols. We must continually change our offerings and expand our business strategy in response to changes in network infrastructure requirements, including the expanding use of cloud computing. While we have been able to develop and market new solutions that respond to technological change and evolving industry standards, we may not be able to continue to do so and there can be no assurance that our new or future offerings will be successful or will achieve widespread market acceptance. If we fail to accurately predict clients' changing needs and emerging technological trends in the cyber-security and digital transformation industry, including in the areas of mobility, virtualization, cloud computing, our business could be harmed.

The technology in our portfolio is complex because it needs to effectively identify and respond to new and increasingly sophisticated methods of attack, while minimizing the impact on network performance. If we experience unanticipated delays in the availability of new products, features and subscriptions, and fail to meet client expectations for such availability, our competitive position and business prospects will be harmed.

7. ***We are subject to certain obligations towards our clients, and a failure to comply with the technical specifications may lead to loss of business from such clients and could negatively impact our reputation, business prospects, results of operations, financial condition, and cash flows.***

Our services and solutions are typically subject to stringent scheduling requirements, extensive technical specifications and other obligations, including in relation to data security, as specified by our clients. Further, for any variations in the specifications or our obligations, we are typically required to obtain prior consent from our clients.

Under certain agreements to our government and semi government clients, we are required to provide performance bank guarantees under certain agreements to our clients in relation to our obligations. While there have not been any past instances of failure to perform our obligations under such agreements, including any non-compliance with such specifications, any such failure on our part in the future may lead to termination of the agreement, loss of business with such client, loss of reputation and loss of goodwill. Additionally, it could expose us to indemnity, monetary liability by way of penalties and liquidated damages and may further result in litigation proceedings, which could adversely affect our business, operations, our cash flows and financial condition.

8. ***If our clients terminate contracts with us before completion, negotiate adverse terms of the contract or choose not to renew contracts, it could materially adversely affect our business, results of operations, financial condition, and cash flows.***

Although a substantial portion of our revenues is based on bundled long-term contracts, our engagements with our clients are typically for projects that are singular in nature. In addition, certain clients may terminate our work orders with or without cause. Therefore, we must seek to obtain new engagements when our current engagements are successfully completed or are terminated as well as maintain relationships with existing clients and secure new clients to expand our business.

Several factors other than our performance could cause the loss of or reduction in revenues from a client. For further information, please also see “Risk Factors” on page 22 of Draft Letter of Offer. Even if we successfully deliver on contracted services and maintain close relationships with our clients, a number of factors outside of our control could cause the loss of or reduction in business or revenue from our existing clients. These factors include, among other things:

- the business or financial condition of that client or the economy generally;
- a change in strategic priorities by that client, resulting in a reduced level of spending on technology services;
- changes in the personnel at our clients who are responsible for procurement of information technology, or IT, services or with whom we primarily interact;
- a demand for price reductions by that client;
- significant corporate restructurings involving that client;
- a decision by that client to move work in-house or to one or several of our competitors.

The loss or diminution in business from any of our repeat clients could have a material adverse effect on our revenue from contracts with customers and results of operations. We may not be able to renew our contracts on favourable terms or at all, or to replace any client that elects to terminate or not renew its contract with us, which could materially adversely affect our revenue and thus our results of operations. Further, terminations or delays in engagements may make it difficult to plan our project resource requirements.

9. ***We generate a significant portion of our revenues from a limited number of clients, and any loss or reduction of business from these clients could reduce our revenues and materially adversely affect our business, results of operations, financial condition, and cash flows.***

We have derived, and believe that in the foreseeable future we will continue to derive, a significant portion of our revenues from a limited number of clients which may not be the same every year. For instance, revenue from our top five clients amounted to ₹ 1,425.15 lakhs, ₹ 1,089.66 lakhs and ₹ 1,558.73 lakhs in Fiscals 2022, 2023 and 2024 representing 54.16%, 42.19% and 65.26% of our revenue from operations in these periods, respectively.

Our ability to maintain close relationships with these and other major clients is essential to the growth and profitability of our business. However, the volume and nature of work performed for a specific client is likely to vary from year to year, especially since we are generally not our clients' exclusive IT services provider and we do not have long-term commitments with most of our clients to purchase our services. A major client in one year may not provide the same level of revenues for us in any subsequent year. The IT services we provide to our clients, and the revenues and net income from those services, may decline or vary as the type and quantity of IT services the clients require changes over time. Furthermore, our reliance on any individual client for a significant portion of our revenues may give that client a certain degree of pricing leverage against us when negotiating contracts and terms of service.

In addition, a number of factors other than our performance could cause the loss of or reduction in business or revenues from a client, and these factors are not predictable. For example, a client may decide to reduce spending on technology services or sourcing from us due to a challenging economic environment or other factors, both internal and external, relating to its business, may be involved in a litigation or may wind up. Further, factors which are not in our or our clients' control such as the socio-political situation in a particular country or the outbreak of a contagious disease may also impact our business adversely. These factors, among others, may include clients pursuing a corporate restructuring, facing pricing pressure, changing outsourcing strategy, switching to another IT services provider or returning work in-house.

The loss of any of our major clients, or a significant decrease in the volume of work they outsource to us or the price at which we sell our services to them, could materially adversely affect our business, results of operations, financial condition, and cash flows.

10. We operate in an evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to be successful in cyber-security and digital transformation solutions. If we are not successful, it could materially adversely affect our business, reputation and cash flows.

The technology services industry is competitive and continuously evolving, subject to rapidly changing demands and constant technological developments. As a result, success and performance metrics are difficult to predict and measure in our industry. As services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model, and its results of operations, it can be difficult to predict how any company's services, including ours, will be received in the market. While businesses have been incurring significant expenditure in the past to adopt emerging technologies and related technological trends, there can be no assurance that they will continue to do so in the future.

Our revenues, operating results and profitability have varied in the past and are likely to vary in the future. Factors that are likely to cause these variations include:

- the accuracy of estimates of resources, time and fees required to complete fixed-price contracts and costs incurred in the performance of each contract;
- changes in pricing in response to client demand and competitive pressures;
- the business decisions of our clients regarding the use of our services;
- the number, timing, scope and contractual terms of services for which we are engaged;
- delays in project commencement or staffing delays due to difficulty in assigning appropriately skilled or experienced IT professionals;
- the ability to further grow revenues from existing clients;
- employee wage levels and increases in compensation costs, including timing of promotions and annual pay increases;
- unanticipated contract or project terminations;
- the timing of collection of accounts receivable; and
- general economic conditions.

Our future profits may vary substantially from those of other companies and those we have achieved in the past. One or any combination of the above factors may cause our clients' demand for our services to decline as a result of which our business may suffer and our results of operations, financial condition, and cash flows may be adversely affected.

11. Our Company had filed erroneous forms with Ministry of Corporate Affairs relating to various compliances related filings during past years.

There were errors in filing form ADT 1 relating to auditor appointment during the Annual filings for the year ended 31st March 2016 of the Company on MCA portal which cannot be rectified.

There were errors in filing form SH-7 relating to Increase in Authorized Share Capital of the Company on MCA portal which cannot be rectified.

There were errors in filing forms relating to Annual returns and Annual filing forms. The attachments in forms were erroneous which cannot be rectified. Also, auditor appointment forms ADT 1 were not filed with Ministry of Corporate Affairs for the financial years 2016- 2017 and 2017-2018 which were filed in the year 2020-2021 with additional fees.

Our Company had filed form DIR 12 under section 161 of the Companies Act, 2013 relating to appointment of Directors on MCA portal with clerical errors which were rectified by filing revised form DIR 12 with additional fees. Our Company had filed form INC 22 under section 12 of the Companies Act, 2013 relating to change in registered office of the Company on MCA portal with clerical error which was rectified by duly filed form INC 22.

Our Company had issued equity shares through right issue under section 62(1) (c) of the Companies Act, 2013 dated October 21, 2021 in which company had converted loan of Mr. Ragavan Rajkumar against issuance of shares in said right issue.

12. Our Company does not own any trademarks for the logo representing our products/services or the trademark of word “Globesecure” or the logo used in this Draft Letter of offer. In case we do not apply for registration of any trademark, it may affect our business and brand reputation.

Our Company has not applied for the registration of any trademarks in relation to its business as on the date of filing of this Draft Letter of offer. It may be possible that the trademark registration continues to not be applied for or applied but not approved or use of similar/ same name by third parties, may cause the validity or scope of the application to be challenged. In such situations, the Company may not have a strong recourse to legal proceedings to protect its trademark which could have an adverse effect on our business and/or reputation. In such a scenario, we may also be required to invest significant resources in developing new brands or logos, which could materially and adversely affect our business, financial condition, results of operations and prospects.

13. Claims by others that we infringe their proprietary technology or other rights could harm our business.

As a technology company, we are exposed to allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies seek to monetize patents they have purchased or otherwise obtained. As we face increasing competition and gain an increasingly higher profile, the possibility of intellectual property rights claims against us grows. Third parties may assert claims against our clients or vendors, whom our standard license and other agreements obligate us to indemnify against claims that our products infringe the intellectual property rights of third parties. Many of our competitors and others may now and in the future have significantly larger and more mature patent portfolios than we may have. In addition, future litigation may involve patent holding companies or other patent owners who have no relevant product offerings or revenue and against whom our own patents, if any, may therefore provide little or no deterrence or protection. Any claim of intellectual property infringement by a third party, even a claim without merit, could cause us to incur substantial costs defending against such claim, could distract our management from our business and could require us to cease use of such intellectual property. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by the discovery process.

Although third parties may offer a license to their technology or other intellectual property, the terms of any offered license may not be acceptable, and the failure to obtain a license or the costs associated with any license could cause our business, results of operations, financial condition, and cash flows to be materially and adversely

affected. We may also be subject to additional fees or be required to obtain new licenses if any of our licensors allege that we have not properly paid for such licenses or that we have improperly used the technologies under such licenses. In addition, some licenses may be non-exclusive, and therefore our competitors may have access to the same technology licensed to us. If a third party does not offer us a license to its technology or other intellectual property on reasonable terms, or at all, we could be enjoined from continued use of such intellectual property. As a result, we may be required to develop alternative, non-infringing technology, which could require significant time (during which we could be unable to continue to offer our affected solutions), effort, and expense and may ultimately not be successful. Further, a successful claimant could secure a judgment or we may agree to a settlement that prevents us from performing certain services or that requires us to pay substantial damages, royalties or other fees. Any of these events could harm our business, results of operations, financial condition, and cash flows.

14. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all and our business, financial conditions, results of operations, and cash flows may be adversely affected.

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. Although we believe that we have obtained required licenses and approvals for carrying our business activity, there can be no assurance that the relevant authorities will renew these approvals or licenses in a timely manner. Further, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/ penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. As a result, we may not be able to execute our business plan as planned. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations. Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure. Further the name of Company has changed from Globesecure Technologies Private Limited to Globesecure Technologies Limited and a few licenses/approvals/permits are pending for renewal due to change in name of Company. Any problem arises in renewal of the same will affect our business. Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at State and Central Government levels. If we fail to comply, or a regulator claims that we have not complied, with these conditions, we may not be able to commence or continue with work or operate our business activity. For further information on various approvals or licenses required in connection with our operations, please see the chapter entitled “*Government and other Approvals*” beginning on page 88 of this Draft Letter of offer.

15. If we are unable to hire, integrate, train, retain, and motivate qualified personnel, our business could suffer.

Our success depends largely on our ability to continue to hire, integrate, train, and retain qualified and highly skilled personnel. We are substantially dependent on the continued service of our existing personnel because of the complexity and domain experience involved in our offerings. Additionally, any failure to hire, integrate, train, and adequately incentivize our sales personnel or the inability of our recently hired sales personnel to effectively ramp to target productivity levels could negatively impact our growth and operating margins.

Competition for highly skilled personnel, particularly in engineering, is often intense, especially in India. A significant increase in the attrition rate among skilled IT professionals with specialized skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our services. 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 clients. This would increase our operational costs which may adversely affect our business, results of operations, financial condition, and cash flows.

In addition, our ability to maintain and renew existing engagements and obtain new business will depend, in large part, on our ability to attract, train and retain skilled IT professionals, including experienced management IT professionals, which enables us to keep pace with growing demands for outsourcing, evolving industry standards and changing customer preferences. If we are unable to attract and retain the highly skilled IT professionals we need, we may have to forgo projects for lack of resources or be unable to staff projects optimally. Our failure to attract, train and retain IT professionals with the qualifications necessary to fulfil the needs of our existing and future customers or to assimilate new IT professionals successfully could materially adversely affect our business,

results of operations, financial condition, and cash flows. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event of our inability to retain employees.

16. An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategies, include, developing new solutions, expanding our client base, and expanding our presence geographically. For further information, see “*Our Business– Business Strategies*” on page 57. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands and trends in the industry, develop solutions that meet our clients’ requirements, compete with existing companies in our markets, consistently exercise effective quality control, hire and train qualified personnel. Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. We may face increased risks when we enter new markets internationally, and may find it more difficult to hire, train and retain qualified employees in new regions.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our personnel. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

17. If we are unable to collect receivables from, or bill our unbilled receivables to, our clients, our results of operations and cash flows could be materially adversely affected.

Our business may be impacted by our ability to obtain timely payments from our clients. We maintain allowances against unbilled receivables. Actual losses on client balances could differ from those that we currently anticipate and, as a result, we might need to adjust our allowances. There is no guarantee that we will accurately assess the creditworthiness of our clients. Weak macroeconomic conditions and related turmoil in the global financial system could also result in financial difficulties, including limited access to the credit markets, insolvency, or bankruptcy for our clients, and, as a result, could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our receivables balance, or default on their payment obligations to us. Timely collection of balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/ or be unable to collect our balances, and if this occurs, our results of operations and cash flows could be materially adversely affected. Moreover, in the event of delays in payment from our governmental and quasi-governmental clients, we may have difficulty collecting on receivables owed. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

18. We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

Some of the financing arrangements entered by us include conditions that require our Company to obtain respective lenders’ consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan, the conditions negotiated under each financing agreement and are in the form of maintenance of certain financial ratios. While we are in the process of raising equity to remediate such non- compliance and/ or obtaining waivers from such lenders, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time. In addition, some of the corporate actions that require prior consents from certain lenders include, amongst others, changes to the (a) capital structure of our Company, (b) memorandum and/or articles of association of our Company, (c) management control, and (d) directorship or shareholding of the Promoters in our Company.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers may lead to acceleration of amounts due under such facilities and triggering of cross default provisions. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

19. Our success depends substantially on the continuing services of our Promoters, senior executives and other key personnel. If we are unable to attract and retain senior executives, we may not be able to maintain client relationships and grow effectively, which may adversely affect our business, results of operations, financial condition, and cash flows.

Our future success heavily depends upon the continued services of our Promoters, senior executives and other key employees. If one or more of our senior executives or key employees are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace them easily or at all. In addition, we may be unable to retain our senior executives and key personnel or attract and retain new senior executives and key personnel in the future, in which case our business may be severely disrupted, which could materially adversely affect our business, results of operations, financial condition, and cash flows.

If any of our senior executives or key personnel joins a competitor or forms a competing company, we may lose clients, suppliers, know-how and key professionals and staff members to them which may materially adversely affect our business, results of operations, financial condition, and cash flows. Also, if any of our business development managers/ sales personnel, who generally keep a close relationship with our clients, joins a competitor or forms a competing company, we may lose clients, and our revenues may be materially adversely affected. Additionally, there could be unauthorized disclosure or use of our technical knowledge, practices or procedures by such personnel. If any dispute arises between our senior executives or key personnel and us, any non-competition, non-solicitation and non-disclosure provisions in our employment agreements we have with our senior executives or key personnel might not provide effective protection to us. If we cannot attract and retain qualified personnel or effectively formulate or implement appropriate succession plans it may materially adversely affect our business, results of operations, financial condition, and cash flows.

20. We incorporate technology from third-parties into our solutions, and our inability to obtain or maintain rights to the technology could harm our business.

We incorporate technology from third-parties into our solutions. We cannot be certain that our suppliers and licensors are not infringing the intellectual property rights of third-parties or that the suppliers and licensors have sufficient rights to the technology in all jurisdictions in which we may offer our solutions and perform services. Some of our agreements with our suppliers and licensors may be terminated for convenience by them. If we are unable to obtain or maintain rights to any of this technology because of intellectual property infringement claims brought by third parties against our suppliers and licensors or against us, or if we are unable to continue to obtain such technology or enter into new agreements on commercially reasonable terms, our ability to develop and sell solutions and services containing such technology could be severely limited, and our business could be harmed. Additionally, if we are unable to obtain necessary technology from third parties, we may be forced to acquire or develop alternative technology, which may require significant time, cost and effort and may be of lower quality or performance standards. This would limit and delay our ability to offer new or competitive products and increase our costs of production. If alternative technology cannot be obtained or developed, we may not be able to offer certain functionality as part of our solutions and services. As a result, our margins, market share and results of operations could be significantly harmed.

21. We do not own the Registered Office from which we operate. If we are unable to renew our current lease or if we renew them on terms which are detrimental to our Company, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.

We have taken on lease the registered office premises in Mumbai for our operations. There is no guarantee that this lease will be renewed or extended once their term is complete. If we are unable to renew or extend our current lease, or if we renew or extend them on terms which are detrimental to us, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition. For further details regarding our leased premises, please refer to chapter titled “*Our Business*” beginning on Page 57 of this Draft Letter of Offer.

22. 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 46 of this Draft letter of Offer is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. The fund requirement and deployment, as mentioned in the “*Objects of the Issue*” on page 46 of this Draft letter of Offer 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.

23. Our Company has unsecured loans from its Promoters, Related Parties, NBFCs and Financial Institutions, that may be recalled by the lenders at any time and our Company may not have adequate funds to make timely payments or at all.

Our Company has availed loans from its Directors, Related Parties, NBFCs and Financial Institutions, which may be recalled at any time. As of March 31, 2024, the aggregate amount outstanding under such unsecured loans availed by our Company amounted to ₹ 301.58 lakhs. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the above lenders at any time. In the event that any of the above lenders seeks a repayment of any such unsecured loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

24. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.

We maintain general insurance with various covers for our office premises which we consider adequate. We may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results of operations. However, we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

25. Third party industry and statistical data in this Draft Letter of Offer may be incomplete, incorrect or unreliable.

We have not independently verified data from industry and other publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore,

discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

26. *In addition to normal remuneration or benefits and reimbursement of expenses, the Promoters, our Directors and Key Managerial Personnel are interested in our Company to the extent of their shareholding, and dividend entitlements etc.*

The Promoters, our Directors and Key Management Personnel are deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlements, and benefits deriving from the directorship in our Company. Our Promoters may have an interest in the transactions entered into the Company and its Promoter Group. For further information, please refer to the section titled “*Capital Structure*”, “*Our Management*” and “*Financial Statements- Related Party Transactions*”, beginning on pages 43, 67 and 78 of this Draft Letter of offer.

27. *We have not been paying dividends in the past and our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We have not paid dividends in the past and there can be no assurance that our Company will declare dividends in the future also. Further, we may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see “*Dividend Policy*” on page 77 of this Draft Letter of offer.

Issue Specific Risks

28. *SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020 and January 19, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020 and January 19, 2021 and April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 97 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

29. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

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

30. No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the trading price of the Equity Shares may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements.

31. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Securities to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

32. Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

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

The price at which the Equity Shares will trade after this Issue will be determined by the market place and may be influenced by many factors, including:

- Our financial results and the financial results of the other companies in the similar lines of businesses;
- The history of, and the prospects for, our business and the sectors in which we compete;
- The valuation of publicly traded companies that are engaged in business activities similar to us; and
- Significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

34. Overseas shareholders may not be able to participate in our Company's future rights offerings or certain other equity issues.

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the U.S. Securities Act is required in order for our Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the U.S. Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

35. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

Our revenues are dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements and capital expenditures. The combination of these factors may result in significant variations in our revenues and profits and thereby may impact our ability to pay dividends.

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

We are subject to a daily 'circuit breaker' imposed by the Stock Exchanges, which may not allow transactions beyond specified increases or decreases in the price of our Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of our Equity Shares.

This circuit breaker will limit the upward and downward movements in the price of our Equity Shares during the day. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

37. Any future issuance of Equity Shares may dilute the investor's shareholding and sales of the Equity Shares by any of our significant shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares by the Company could dilute your shareholding. Any such future issuance of the Equity Shares or future sales of the Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and impact our ability to raise capital through an offering of our securities. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our

significant shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

38. *We cannot guarantee that the Equity Shares issued under this Issue will be listed on the Stock Exchange in a timely manner, if at all.*

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchange for final approval for listing and trading of the Equity Shares. There could be a failure or delay in obtaining these approvals from the Stock Exchange, which in turn could delay the listing of the Equity Shares on the Stock Exchange. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a 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 for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares. The Finance Act, 2019 has clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments came into effect from July 1, 2020. Further, the Finance Act, 2022, which received the assent of the President of India on March 30, 2023, has, among other things, provided a number of amendments to the direct and indirect tax regime. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations could adversely affect our business. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

External Risk Factors

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

Our business and industry in which we operate is 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. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

41. Global economic conditions were unprecedented and challenging and have had, and continue to have, a material adverse impact on the Indian financial markets and the Indian economy in general, and, given the same economic conditions this may, in future, have a material adverse impact on our business and financial performance and may have an impact on the price of the Equity Shares.

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, 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.

42. 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 impact 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 customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on materials or on our Products. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

43. Political instability or changes in the Government could adversely affect 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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

44. Malpractices by some players in the industry affect overall performance of emerging Companies.

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like our as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

45. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, results of operations, financial condition, and cash flows. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

46. Our restated financial statements, including the financial statements provided in this Draft Letter of Offer, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP.

Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited. India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS).

The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

47. Any downgrading of India's debt 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.

48. Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, the composition of our Board of Directors and Indian laws governing our corporate affairs and procedures, directors' fiduciary duties and liabilities, and shareholders' rights, may differ from those that would apply to companies incorporated in other jurisdictions. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholders of a corporation in another jurisdiction.

49. Investors may not be able to enforce a judgment of a foreign court against us.

Our Company is incorporated under the laws of India. Our Company's assets are located in India and our Managing Director and KMP are residents of India and substantially all of our assets and the assets of the aforementioned persons are located in India. As a result, it may not be possible for investors outside of India to effect service of process on us or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon our civil liabilities of such Director/ KMP under the laws other than Indian Law. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce judgements if it viewed the amount of damages excessive or inconsistent with Indian public policy. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the civil code. Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908, as amended, on a statutory basis. Section 13 of the Code of Civil Procedure, 1908, as amended, provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except:

- (i) where the judgment has not been pronounced by a court of competent jurisdiction;
- (ii) where the judgment has not been given on the merits of the case;
- (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable;
- (iv) where the proceedings in which the judgment was obtained were opposed to natural justice;
- (v) where the judgment has been obtained by fraud; and
- (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under Section 14 of the Code of Civil Procedure, 1908, as amended, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, such presumption may be displaced by proving that the court did not have jurisdiction. Section 44A of the Code of Civil Procedure, 1908, as amended, provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Code of Civil Procedure, 1908, as amended, is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature, or of a fine or other penalties.

SECTION IV – INTRODUCTION

THE ISSUE

The Issue has been authorized by way of a resolution passed by our Board on March 7, 2024 pursuant to section 62 of the Companies Act, 2013. The terms and conditions of the Issue including the Rights Entitlement and Issue Price, have been approved by the Rights Issue Committee in their meeting held on [●]. Further the Rights Issue Committee of the Directors in their meeting held on [●] and [●] have approved the Record Date and the Issue Schedule.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 97 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	91,08,349 Equity Shares
Rights Securities being offered by our Company*	Up to [●] Rights Equity Shares*
Rights Entitlement	[●] Rights Equity Shares for every [●] Equity Shares held on the Record Date for every Rights Equity Share allotted.
Record Date	[●]
Face Value per Equity Share	₹10.00 each
Issue Price per Equity Share	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Equity Share) On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue Price.
Issue Size	Up to ₹ [●] Lakhs
Equity Shares subscribed, paid-up and outstanding prior to the Issue	91,08,349 Equity Shares For details, please see section titled “ <i>Capital Structure</i> ” beginning on page 44 of this Draft Letter of Offer.
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares
Terms of the Issue	Please see “ <i>Terms of the Issue</i> ” on page 97 of this Draft Letter of Offer.
Use of Issue Proceeds	Please see “ <i>Objects of the Issue</i> ” on page 46 of this Draft Letter of Offer.
Scrip Code	ISIN: INE00WS01056 NSE Scrip Code: GSTL
Terms of Payment	The full amount of the Issue Price being ₹ [●] will be payable on application

*For Rights Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for additional Rights Equity Shares over and above their Rights Entitlements.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights**	[●]
Issue Closing Date*	[●]

*The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.

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

Terms of Payment of Rights Equity Shares

The full amount of the Issue Price being ₹ [●] (including the Premium of [●]) will be payable on application.

GENERAL INFORMATION

Our Company was originally incorporated as “Globesecure Technologies Private Limited” on February 9, 2016, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting of our Company held on June 27, 2019, our Company was converted into a public limited company and consequently, the name of our Company was changed to “Globesecure Technologies Limited” and a Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated August 2, 2019 was issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number of our Company is L72200MH2016PLC272957.

Registered Office and Corporate Office, Corporate Identity Number and Registration Number

Globesecure Technologies Limited

A-309, Sagartech Plaza, Andheri Kurla Road,
Opp. Rubber Factory, Sakinaka, Andheri East,
Mumbai – 400072, Maharashtra, India

Tel No.: + +91-22- 4978 9686

E-mail: info@globesecure.in

Website: www.globesecure.in

CIN: L72200MH2016PLC272957

Registration Number: 272957

Changes to the address of our registered office

The details of changes in the registered office of our Company are set forth below:

Year	Details of the Address of Registered Office	Reason(s) for change
Incorporation	Shiv Shamboo CHS Ltd, SH 28, PL 6, MHADA Layout, Behind Gorai Bus Depot, Gorai III, Borivali(W), Mumbai-400092	Not Applicable
02/02/2017	101-106, Neelkanth Commercial Centre, Sahar Road, Andheri East, Bandra Suburban, Mumbai-400099	Administrative and operational Convenience
20/05/2019	201, Trade Avenue Premises Co-Op Society Ltd., Suren Road, off Western Express Highway, Andheri East, Mumbai-400096	Administrative and operational Convenience
27/08/2021	C-321, 215 Atrium, M.V. Road, Near Courtyard Marroitt Hotel, Andheri East, Mumbai-400069	Administrative and operational Convenience
27/08/2021	C-321, 215 Atrium, M.V. Road, Near Courtyard Marroitt Hotel, Andheri East, Mumbai-400093	For rectification in the pin code as 400093 instead of 400069
20/10/2022	B-614, 215 Atrium, M.V. Road, Near Courtyard Marriott Hotel, Andheri -East, Mumbai 400069	Administrative and operational Convenience
29/03/2024	A-309, Sagartech Plaza, Andheri Kurla Road, Opp. Rubber Factory, Sakinaka, Andheri East, Mumbai – 400072, Maharashtra, India.	Completion of lease agreement

Registrar of Companies

The Registrar of Companies, Mumbai

100, Everest, Marine Drive, Mumbai-400002, Maharashtra, India.

Company Secretary and Compliance Officer

Ms. Heta Desai

Globesecure Technologies Limited.

A-309, Sagartech Plaza, Andheri Kurla Road, Opp. Rubber Factory, Sakinaka, Andheri East, Mumbai – 400072, Maharashtra, India.

Telephone: +91-22- 4978 9686

Website: www.globesecure.in
Email id: secretarial@globesecure.in

Statutory Auditors of our Company

M/s. Kumbhat & Co.,

Chartered Accountants

606, 6th Floor, Corporate Avenue, Sonawala Road, Goregaon (E),

Mumbai – 400063

Contact Person: CA Gaurang C. Unadkat

Tel No.: 022 4014 6878

E-mail: gaurang@kumbhatco.in

Firm registration no.: 001609S

Peer Review: 015876 valid till September 30, 2026

The following table sets out the current details regarding our Board of Directors as on the date of filing of this Draft Letter of Offer:

Name	DIN	Address	Designation
Mr. Ragavan Rajkumar	02002480	Flat No.-402, D-wing, Castle Rock, Hiranandani Gardens, Powai, Mumbai 400076, Maharashtra, India	Chairman & Managing Director
Ms. Sonam Ragavan	08789592	G-Wing, 2nd Floor, Flat No.-244, Delta Vrindavan, Mira MIDC Road, Dahisar Check Naka, N H No. 8, Mira Road (E), Thane 401107, Maharashtra, India	Executive Director
Mr. Gopala Ramaratnam	09273100	Flat No.704, Laxmi Icon, Plot No.69/70, Sector 44A, Seawoods, Nerul West, Thane, Navi Mumbai-400706, Maharashtra, India	Non-Executive Independent Director
Mr. Sushilkumar Agrawal	00400892	A-2, Matru Ashish Building, 14th Floor 454, Nepeansea Road, Near Petrol Pump, Mumbai-400036, Maharashtra, India	Non-Executive Independent Director
Mr. Asheesh Chatterjee	05135647	Flat No. 133, Wing- 2B, Windermere, Off. New Link Road, Near Oshiwara Police Station, Andheri (West), Mumbai –400053, Maharashtra, India	Non-Executive Independent Director

For further details of our Directors, please refer titled “*Our Management*” beginning on page 68 of this Draft Letter of Offer.

Self-certified syndicate bankers

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Legal advisors to the issue

Zastriya, Attorneys & Legal Consultants

Address: 37/38, 3rd floor, Landmark Tower, Mith Chowk, Link Road, Malad (West), Mumbai-400 064, Maharashtra, India.

Telephone: 9920120018/ 9920239759

Contact Person: Mr. Nishant Rana and Mrs. chinmayee

E-mail: nishant.rana@zastriya.in / chinmayee.ghag@zastriya.in

Registrar and Share Transfer Agent
Skyline Financial Services Private Limited
CIN: U74899DL1995PTC071324
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Contact Person: Mr. Anuj Rana
Tel No.: +011-40450193-197
E-Mail Id: ipo@skylinerta.com
Investor Grievance E-Mail Id: grievance@skylinerta.com
Website: www.skylinerta.com
SEBI Registration No.: INR000003241

Banker to the Issue

[●]
Tel: [●]
Email: [●]
Contact Person: [●]
Website: [●]
SEBI Registration No.: [●]

Investor Grievances

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning on page 97.

Inter-se Allocation of Responsibilities

Since the issue size is not exceeding ₹ 50 Crore hence our Company has not appointed Merchant Banker to the Issue.

Credit Rating

This being an issue of Right Issue of Equity shares, credit rating is not required.

Monitoring Agency

As per Regulation 41(1) SEBI (ICDR) Regulations, 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000 Lakhs. Since the Issue size is only of ₹ [●], our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Underwriting

This Issue of Equity Shares is not being underwritten and no standby support is being sought for the said Issue.

Appraising Agency

The objects of this Issue have not been appraised by any bank or any other independent financial institution.

Expert Opinion

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

Our Company has received a written consent from our Statutory Auditors, M/s Kumbhat & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated May 15, 2024, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

Debenture Trustee

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

Minimum Subscription

The objects of the Issue are meeting working capital requirements and do not involve financing of capital expenditure for a project.

Further, our Promoters and Promoter Group vide their letter dated May 15, 2024 have undertaken that:

- (a) they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group or existing shareholders or third party investors) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations.
- (b) to subscribe to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI Takeover Regulations and other applicable laws/regulations.

Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.

Filing

SEBI vide its Amendment regulations i.e. SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 w.e.f. 28.09.2020, has granted certain relaxations with respect to rights issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the rights issue size for filing of the Draft Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI ICDR Regulations has been increased from Ten Crores to Fifty Crores. Since the size of this Issue falls under the threshold, the Draft Letter of Offer had been filed with the Stock Exchanges and will not be filed with SEBI.

CAPITAL STRUCTURE

The Issue has been authorized by way of a resolution passed by our Board on March 07, 2024 pursuant to section 62 of the Companies Act, 2013.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 97 of this Draft Letter of Offer.

(₹ in Lakhs except per share data)

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Share Capital		
2,50,00,000 Equity Shares of ₹10.00 each	2,500.00	-
Issued, subscribed and paid-up capital before the Issue		
91,08,349 Equity Shares of ₹10.00 each	910.83	-
Present Issue in terms of this Draft Letter of Offer⁽¹⁾		
[●] Equity Shares issued on Rights Basis, each at a premium of ₹ [●] Equity Share i.e. at a Price of ₹ [●] per Rights Equity Share	[●]	[●]
Issued, subscribed and paid-up Equity share capital after the Issue (assuming full subscription for and allotment of the Rights Entitlement)*		
[●] Equity Shares of ₹10.00 each	[●]	-
Subscribed and paid-up Equity share capital		
[●] fully paid-up Equity Shares	[●]	-
Securities Premium Account		
Before the Issue		789.54
After the Issue ⁽²⁾		[●]

⁽¹⁾ The Issue has been authorized by our Board through resolution dated March 07, 2024.

⁽²⁾ Assuming full subscription for and allotment of the Rights Entitlement.

* Subject to finalization of Basis of Allotment.

Notes to the Capital Structure

1. Details of the outstanding instruments:

As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with option to convert or securities which are convertible at a later date into Equity Shares.

Shareholding pattern

- a) Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations. The shareholding pattern of our Company, as on March 31, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GSTL&tabIndex=sme>
- b) The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as on March 31, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GSTL&tabIndex=sme>

- c) The statement showing holding of securities of persons belonging to the category “Public” including Equity Shareholders holding more than 1.00% of the total number of Equity Shares as on March 31, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GSTL&tabIndex=sme>
2. As on date of this Draft Letter of Offer, 18,24,000 and 14,49,667 Equity Shares held by our Promoter or members of our Promoter Group have been locked-in, pledged or encumbered respectively.
 3. There has been no acquisition of specified securities by the Promoter and Promoter Group in the last 1 (One) year immediately preceding the date of filing of this Draft Letter of Offer.
 4. The Equity Shares of our Company are fully paid up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.
 5. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
 6. As on the date of this Draft Letter of Offer, our Company has not issued any SR equity shares and there are no outstanding equity shares having special voting rights.
 7. The ex-rights price arrived in accordance with the formula prescribed under Clause 4 (b) of Regulation 10 of the SAST Regulations, 2011 in connection with the Issue is [●].
 8. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue.
 9. **Intention and extent of participation by the promoter and promoter group in the issue with respect to:**

Our Promoter and Promoter Group vide their letter dated May 15, 2024 have undertaken to subscribe, jointly and/or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favor by any other Promoter or member(s) of the Promoter Group of our Company. Further, our Promoters and Promoter Group reserve the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any), subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations and in case if acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements triggers open offer obligation under SEBI (SAST) Regulations, our Promoters and our Promoter Group shall comply with the same. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

All the Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares on the date of this Draft Letter of Offer. Further, the Rights Equity Shares when issued shall be fully paid-up.

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue.

SECTION V - PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from the Issue towards meeting the following objects:

1. To augment the existing and incremental working capital requirement of our Company
2. General Corporate Purpose.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised 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.

Issue Proceeds

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount (₹ in lakhs)
Gross Proceeds from the Issue [#]	Upto 3,000.00 [#]
Less: Estimated Issue related Expenses	[●]
Net Proceeds from the Issue	[●]

[#]Assuming full subscription and allotment of the Rights Equity Shares

Requirement of funds

The Net Proceeds are proposed to be used in accordance with the details set forth in the following table:

Particulars	Amount (₹ in lakhs)
To augment the existing and incremental working capital requirement of our Company	1,954.30
General corporate purposes*	[●]
Net Proceeds from the Issue	[●]

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Utilization of Net Proceeds and schedule of Implementation

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

(₹ in lakhs)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds	
			Fiscal 2025	Fiscal 2026
1.	To augment the existing and incremental working capital requirement of our company	1,954.30	1,000.00	954.30
2.	General corporate purposes*	[●]	[●]	[●]
Net Proceeds**		[●]	[●]	[●]

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

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.

The above fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. Our Company's funding deployment schedule are subject to revision in the future at the discretion of our Board and will not be subject to monitoring by any independent agency. Further, in

case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year. For further details, please see the section titled “*Risk factors – “The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company”*” on page 22.

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met through means available to us, including by way of incremental debt and/or internal accruals.

Means of Finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from

1. Issue of Equity Shares through this Draft Letter of Offer.
2. Internal Accruals.

Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75.00% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

Details of the Objects of the Issue

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

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The details of our Company’s working capital for the Financial year 2021-2022, 2022-2023, 2023-24 and Financial Year 2024-25 and 2025-26 (Projected) and the source of funding, derived from the Audited Financial Statements, are provided in the table below:

	<i>(₹ In lakhs)</i>				
Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)	FY 2024-25 (Projected)	FY 2025-26 (Projected)
Current Assets					
(a) Inventories	672.58	1,505.42	1,014.68	713.56	785.59
(b) Trade receivables	1,562.86	273.50	392.62	1,849.32	2,958.90
(c) Cash and Bank Balances	31.75	23.26	28.68	1,340.59	845.10
(d) Short term loans and advances	475.77	739.91	440.21	290.21	40.21
(e) Other Current Assets	3.25	2.34	167.44	2.25	3.50
Total (A)	2,169.04	2,544.43	2,043.63	4,195.92	4,633.31
Current Liabilities					
(a) Trade payables	1,913.71	913.67	57.41	55.50	261.86
(b) Other current liabilities	255.04	275.01	406.24	206.24	231.24
(c) Short term provisions	0.29	0.40	7.34	8.07	8.88
Total (B)	2,169.04	1,189.08	470.99	269.81	501.99
Net Working Capital (A)-(B)- Cash and Bank Balances	545.42	1,332.09	1,543.96	2,585.52	3,286.22

Particulars	FY 2021-22 (Audited)	FY 2022-23 (Audited)	FY 2023-24 (Audited)	FY 2024-25 (Projected)	FY 2025-26 (Projected)
Sources of Working Capital					
Working Capital funding through Rights Issue Proceeds to be utilized	-	-	-	1,000.00	954.30
Funding through Internal Accruals	9.02	844.26	929.79	971.35	1,917.75
Funding through short term borrowings	536.40	487.83	614.17	614.17	414.17

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2022-23.

We have estimated future working capital requirements based on the following:

Particulars	<i>(No. of Days)</i>		
	FY 2023-24 (Audited)	FY 2024-25 (Projected)	FY 2025-26 (Projected)
Current Assets			
Inventories	213.5	90	45
Trade Receivables	57.3	150	120
Current Liabilities			
Trade Payables	16.8	7	15

Justification for estimation:

The above parameters have been taken as per industry norms.

Current Assets	
Inventories	The company currently has the Inventory turnover days of 213.5 and the company anticipates to decrease the purchase to keep the stock low by focusing more on the service business to increase the overall margin and bring down the days in FY 2024-25 to 90 and further down in FY 2025-26 to 45 days to maximise the utilization of the working capital.
Trade Receivables	The company anticipates the trade receivables to increase from 57.3 days in FY 2023-24 to 150 days in FY 2024-25 and 120 days in FY 2025-26 as the company is willing to give the higher credit period to the customers in order increase sales, create better position in this competitive market and build goodwill of the company in the market.
Current Liabilities	
Trade Payables	The company anticipates the trade payables to decrease in FY 2024-25 to 7 days from 16.8 days in FY 2023-24 as the company currently lacks the goodwill to get the higher credit period and as a result requires the higher working capital for the upfront payment to the creditors of the company against the purchase of goods and services. The company expects the credit period to increase in FY 2025-26 to 15 days from the 7 days of FY 2024-25 in anticipation of building up the goodwill and trustworthiness of the company in the market.

General corporate purposes:

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not be exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any

other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilising the amount which is allocated for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilisation of funds towards any of the purposes will be determined by the Board or its committee, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Issue Related Expenses

The Issue related expenses consist of processing fee to the SCSBs, Registrars to the Issue, Printing and Stationery expenses, Advertising Expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ [●] lakhs towards these expenses, a break-up of the same is as follows:

(₹ in Lakhs)			
Activity	Amount*^ (₹ In Lakhs)	% of Total Expenses	As a % of Issue Size#
Fees of the RTA, and legal advisor, other professional service providers	[●]	[●]	[●]
Fees payable to regulators, including depositories, Stock Exchange and SEBI	[●]	[●]	[●]
Advertising, Printing, stationery and distribution Expenses	[●]	[●]	[●]
Statutory and other Miscellaneous Expenses	[●]	[●]	[●]
Total estimated issue expenses**	[●]	[●]	[●]

*Amount will be finalized at the time of filing of the Letter of Offer and determination of Issue Price and other details.

** Subject to finalization of the Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

^Excluding taxes

#Assuming full subscription

Interim use of Funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

Bridge Financing Facilities

Our Company has currently not raised any bridge loan towards any of the stated objects of the Issue as on the date of the Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds. However, depending on business requirements, our Company might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

Appraising Entity

None of the objects of the Issue for which the Net Proceeds will be utilized have been appraised.

Monitoring of utilization of funds

Since the proceeds from the Issue are less than ₹10,000 lacs, in terms of Regulation 16(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the

proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Strategic and Financial Partners to the Objects of the Issue

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

Key Industry Regulations for the Objects of the Issue

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

Other Confirmations

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

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To

The Board of Directors

Globesecure Technologies Limited

Address: C-321, 215 Atrium, M.V. Road,

Near Courtyard Marriott Hotel, Andheri East, Mumbai – 400093.

Dear Sirs/ Madam,

Statement of Possible Special Tax Benefits available to Globesecure Technologies Limited and its shareholders under the Indian tax laws in connection with the proposed rights issue of equity shares of the company under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) 2018, as amended (“Regulation”)

1. We hereby confirm that the enclosed Annexure ‘A’, prepared by Globesecure Technologies Limited (‘the Company’), provides the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (‘the IT Act’) (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act 2022, i.e. applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24 and The Central Goods and Services Act, 2017, The State Goods and Services Act 2017, The Integrated Goods and Services Tax Act 2017 and The Union Territory Goods and Service Tax Act 2017, as amended (collectively referred to as ‘GST Regime’) the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively the “Taxation Laws”) 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 IT Act and GST Regime. Hence, the ability of the Company and / or its shareholders to derive the possible special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. The benefits discussed in the enclosed statement are not exhaustive 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future;
 - ii) the conditions prescribed for availing the benefits have been / would be met with; and
 - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

For KUMBHAT & CO.

Chartered Accountants

Firm Regn. No. 001609S

Sd/-

**Gaurang C. Unadkat
Partner**

Place: Mumbai

Dated: May 15, 2024

Mem. No. 131708

UDIN: 24131708BKBHZQ9215

ANNEXURE 'A' TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ("the IT Act") (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act 2022, i.e. applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24 and The Central Goods and Services Act, 2017, The State Goods and Services Act 2017, The Integrated Goods and Services Tax Act 2017 and The Union Territory Goods and Service Tax Act 2017, as amended (collectively referred to as "GST Regime"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "Taxation Laws") presently in force in India.

I. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
3. The above statement covers only above mentioned tax laws benefits and does not cover benefits under any other law.

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Global Growth Outlook

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (Table 1). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geo-economic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

Growth Outlook

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and, than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

Policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

WORLD ECONOMIC OUTLOOK PROJECTIONS

Table 1. Overview of the World Economic Outlook Projections

(Percent change, unless noted otherwise)

	2022	Estimate 2023	Projections		Difference from October 2023 WEO Projections 1/		Q4 over Q4 2/		
			2024	2025	2024	2025	Estimate 2023	Projections	
								2024	2025
World Output	3.5	3.1	3.1	3.2	0.2	0.0	3.1	3.1	3.1
Advanced Economies	2.6	1.6	1.5	1.8	0.1	0.0	1.6	1.6	1.7
United States	1.9	2.5	2.1	1.7	0.6	-0.1	2.9	1.5	1.9
Euro Area	3.4	0.5	0.9	1.7	-0.3	-0.1	0.2	1.5	1.6
Germany	1.8	-0.3	0.5	1.6	-0.4	-0.4	-0.1	1.1	1.9
France	2.5	0.8	1.0	1.7	-0.3	-0.1	0.6	1.4	1.8
Italy	3.7	0.7	0.7	1.1	0.0	0.1	0.2	1.3	1.0
Spain	5.8	2.4	1.5	2.1	-0.2	0.0	1.5	1.8	2.1
Japan	1.0	1.9	0.9	0.8	-0.1	0.2	1.4	1.6	0.5
United Kingdom	4.3	0.5	0.6	1.6	0.0	-0.4	0.9	0.6	1.8
Canada	3.8	1.1	1.4	2.3	-0.2	-0.1	1.1	1.9	2.2
Other Advanced Economies 3/	2.7	1.7	2.1	2.5	-0.1	0.2	1.5	2.6	2.0
Emerging Market and Developing Economies	4.1	4.1	4.1	4.2	0.1	0.1	4.3	4.3	4.1
Emerging and Developing Asia	4.5	5.4	5.2	4.8	0.4	-0.1	5.2	5.5	4.7
China	3.0	5.2	4.6	4.1	0.4	0.0	5.4	4.4	4.0
India 4/	7.2	6.7	6.5	6.5	0.2	0.2	5.0	7.8	6.7
Emerging and Developing Europe	1.2	2.7	2.8	2.5	0.6	0.0	4.1	2.0	2.9
Russia	-1.2	3.0	2.6	1.1	1.5	0.1	4.4	1.4	1.0
Latin America and the Caribbean	4.2	2.5	1.9	2.5	-0.4	0.1	2.2	1.7	2.6
Brazil	3.0	3.1	1.7	1.9	0.2	0.0	2.3	2.6	1.4
Mexico	3.9	3.4	2.7	1.5	0.6	0.0	3.4	1.9	1.4
Middle East and Central Asia	5.5	2.0	2.9	4.2	-0.5	0.3	-	-	-
Saudi Arabia	8.7	-1.1	2.7	5.5	-1.3	1.3	-4.5	2.8	5.4
Sub-Saharan Africa	4.0	3.3	3.8	4.1	-0.2	0.0	-	-	-
Nigeria	3.3	2.8	3.0	3.1	-0.1	0.0	2.7	3.3	2.9
South Africa	1.9	0.6	1.0	1.3	-0.8	-0.3	1.0	1.2	1.3
<i>Memorandum</i>									
World Growth Based on Market Exchange Rates	3.0	2.7	2.6	2.7	0.2	0.0	2.7	2.5	2.6
European Union	3.6	0.6	1.2	1.9	-0.3	-0.2	0.7	1.4	2.3
ASEAN-5 5/	5.5	4.2	4.7	4.4	0.2	-0.1	4.1	5.2	3.5
Middle East and North Africa	5.6	2.0	2.9	4.2	-0.5	0.3	-	-	-
Emerging Market and Middle-Income Economies	4.0	4.2	4.0	4.0	0.1	0.0	4.3	4.3	4.1
Low-Income Developing Countries	5.2	4.0	5.0	5.6	-0.1	0.0	-	-	-
World Trade Volume (goods and services) 6/	5.2	0.4	3.3	3.6	-0.2	-0.1	-	-	-
Advanced Economies	6.1	0.3	2.6	3.2	-0.4	-0.1	-	-	-
Emerging Market and Developing Economies	3.7	0.6	4.5	4.4	0.2	0.0	-	-	-
Commodity Prices									
Oil 7/	39.2	-16.0	-2.3	-4.8	-1.6	0.1	-2.8	-6.1	-4.9
Nonfuel (average based on world commodity import)	7.9	-6.1	-0.9	-0.4	1.8	-0.3	-2.0	1.5	0.2
World Consumer Prices 8/	8.7	6.8	5.8	4.4	0.0	-0.2	6.0	5.3	3.8
Advanced Economies 9/	7.3	4.6	2.6	2.0	-0.4	-0.2	3.1	2.3	2.0
Emerging Market and Developing Economies 8/	9.8	8.4	8.1	6.0	0.3	-0.2	8.4	7.7	5.2

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during October 30–November 27, 2023. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1. Difference based on rounded figures for the current and October 2023 WEO forecasts. Countries for which forecasts have been updated relative to October 2023 WEO forecasts account for approximately 90 percent of world GDP measured at purchasing-power-parity weights.
2. For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 percent (80 percent) of annual world (emerging market and developing economies') output at purchasing-power-parity weights.
3. Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.
4. For India, data and projections are presented on a fiscal year (FY) basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 5.7 percent in 2024 and 6.8 percent in 2025 based on calendar year.
5. Indonesia, Malaysia, Philippines, Singapore, Thailand.
6. Simple average of growth rates for export and import volumes (goods and services).
7. Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average assumed price of oil in US dollars a barrel, based on futures markets (as of November 29, 2023), is \$ 79.10 in 2024 and \$ 75.31 in 2025.
8. Excludes Venezuela.
9. The assumed inflation rate for the euro area is 2.8% in 2024 and 2.1% in 2025, that for Japan is 2.7% in 2024 and 2.0% in 2025, and that for the United States is 2.2% in 2024 and 1.9% in 2025.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

INDIAN IT & BPM INDUSTRY

Introduction

The IT & BPM 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 Size

According to the 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.

In 2022, the Indian domestic IT & Business Services market was valued at US\$ 13.87 billion and recorded a 7.4% year-over-year (YoY) growth as compared to 7.2% in 2021.

IT spending in India is expected to increase to US\$ 110.3 billion in 2023 from an estimated US\$ 81.89 billion in 2021.

The 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.

As an estimate, India's IT export revenue rose by 9% in constant currency terms to US\$ 194 billion in FY23.

The IT industry added 2.9 lakh new jobs taking the industry's workforce tally to 5.4 million people in FY23.

Investments/Developments

Indian IT's core competencies and strengths have attracted significant investment from major countries and companies.

- In November 2022, Amazon Web Services announced the launch of its second AWS infrastructure region in India - the AWS Asia Pacific (Hyderabad) Region. By 2030, it is anticipated that the region will support more than 48,000 full-time jobs annually thanks to investments totalling more than US\$ 4.4 billion in India.
- In October 2022, PE/VC investments in the technology sector stood at US\$ 157 million across 12 deals.
- The computer software and hardware sector in India attracted cumulative foreign investment (FDI) inflows worth US\$ 97.31 billion between April 2000-September 2023. The sector ranked second in FDI inflows as per the data released by the Department for Promotion of Industry and Internal Trade (DPIIT). Computer software and hardware make up 15% of the cumulative FDI inflows.

Government Initiatives

Some of the major initiatives taken by the government to promote the IT and ITeS sector in India are as follows:

- Cabinet approved PLI Scheme – 2.0 for IT Hardware with a budgetary outlay of Rs. 17,000 crore (US\$ 2.06 billion).
- In the Union Budget 2023-24, the allocation for the IT and telecom sector stood at Rs. 97,579.05 crore (US\$ 11.8 billion).
- 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.

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 in its competitive strength with zero government interference. He further added that service exports from India have the potential to reach US\$ 1 trillion by 2030.

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

OUR BUSINESS

Our Company was originally incorporated as “Globesecure Technologies Private Limited” on February 9, 2016, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting of our Company held on June 27, 2019, our Company was converted into a public limited company and consequently, the name of our Company was changed to “Globesecure Technologies Limited” and a Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated August 2, 2019 was issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number of our Company is L72200MH2016PLC272957.

Globesecure Technologies is a digital transformation company in India with a focus on cyber security. We have executed several cyber security transformation projects, infrastructure, and digital transformation projects for various institutions and also provide similar independent services to our clients. Through our wide range of offerings across multiple verticals, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design, and implementation, to monitoring and providing managed services.

We classify our business into the following lines of business: (i) Cyber Security, (ii) Integrated Enterprise Solutions, and (iii) Managed Services.

Cyber Security Technology

Offerings

Our offerings range from entry-level services such as vulnerability assessments and penetration testing at the roadmap stage to solution customization and implementation at the execution stage, onsite as well as remote capabilities at the deployment stage, and comprise more evolved offerings in the form of the ‘pay-per-use’ MSSP model. Our services range from threat intelligence, threat monitoring, and threat detection to threat hunting and incident response, penetration testing and vulnerability management, and brand monitoring services. Our services include comprehensive advisory and managed security services to mitigate breaches and enable our clients to understand the threats they may be exposed to. Our offerings are aimed at equipping our clients with capabilities to assess security intelligence and operations. We also design SOCs for our clients using security analytics platforms from our key security solution partners and build enterprise-class SOCs for our clients. We enable 24x7 threat, detection, and fast response capability, enabled by threat intelligence from multiple sources and proactive threat hunting to identify and remediate advanced threats.

- **Managed Security Services:** To help achieve faster cyber security maturity, we offer 24X7 threat prevention, detection and fast response capabilities, enabled by threat intelligence from multiple sources and proactive threat hunting to identify and remediate advanced threats using the pay-per-use mode. We offer managed security services through various modes (on client premises, or in the location that is hosting such service, or through a shared services model) to address the various compliance requirements. Clients have various options to choose from the services including threat hunting, and security solution management, where we have incorporated technologies that our team can tap into to cater to multiple requirements of our client base on the multi-tenant platform.
- **Managed Detection and Response (“MDR”) Services:** Our MDR services include end-point detection and response tools to conduct detailed investigations using various tactics, techniques, and procedures to threat hunting and enabling next-generation antivirus for behavior-based blocking and continuous policy management by providing continuous visibility of end-point security to malicious activity, reduce the

dwell time of attacks and enabling faster investigations, deliver faster responses to cyber-attacks within the network and prevent similar incidents from causing damage in future.

- **Cloud Security Services:** We offer an end-to-end portfolio of consulting, implementation, and MDR services, providing end-customers with a one-stop cyber security solution that maximizes and extends their investment and advances their security posture. We seek to help clients achieve better visibility of security threats, and enhance their usage of AI and automation capabilities, to efficiently mitigate threats and reduce risk. We help our clients achieve end-to-end cyber security, to provide improved experience using services that help protect against cyber-threats with automation and intelligence across access management, unified endpoint management (UEM) tools, data protection, and endpoint protection platforms. We also engage with clients to help reduce complexity and costs while improving visibility across client organizations to maximize the capabilities of such subscriptions.
- **Cyber Security Solution Integration Services:** We offer services for data protection, end-point security, network security, cloud security, OT/ IoT solutions, and application security. We provide management, monitoring and alerting of security devices in the cloud or on-premises, including: next-generation firewalls; Unified Threat Management (UTM) stations, Intrusion Detection and Prevention Systems (IDPS), and Secure Web Gateways (SWGs).
- **Data Protection Services:** Our data security services help design solutions and prioritize processes and controls to protect critical data from unauthorized access and data loss by providing appropriate solutions to enable data classification, data encryption and monitor data activity to help our clients remain updated with the evolving security landscape, and facilitate compliance with regulatory requirements.
- **End Point Security:** We offer protection of computer networks that are remotely bridged to client devices. The connection of endpoint devices such as laptops, tablets, mobile phones, Internet-of-things devices, and other wireless devices to corporate networks creates attack paths for security threats. We are equipped to identify your endpoint security gaps and find the right combination of services and technologies to remediate those vulnerabilities.
- **Email Security:** Under Email Security we use different procedures and techniques for protecting email accounts, content, and communication against unauthorized access, loss or compromise. Email is often used to spread malware, spam and phishing attacks. Attackers use deceptive messages to entice recipients to part with sensitive information, open attachments or click on hyperlinks that install malware on the victim's device. Backed by robust and pre-defined anti-spoofing rules and subject tagging to flag emails, we can deliver watertight solutions.

Integrated Enterprise Solutions

Offerings

Visibility: Control : Security

- **Cyber Security Solutioning**

We add to the Client Company's protection against common cyber threats.

- Malware programs get installed are packaged along with legitimate software and they compromise data confidentiality, integrity, availability.
- Ransomware encrypt application and data and asks to pay a "ransom" to hackers.

- Phishing / Vishing is used to obtain data by impersonation.
 - DDoS attacks flood web services and prevent real customers and clients from accessing your services. We offer Cloud Security products since the growing adoption of cloud computing services which provide cost-effectiveness, high performance, and accessibility will enhance the Cybersecurity Posture.
- **Network Access Control (NAC)**
 - Better control and visibility over users' activity
 - Combines endpoint security, user authentication, and network security enforcement.
 - It can help to prevent unauthorized users and devices from accessing a corporate or private network.
 - Help to reduce malware threats and other cyberattacks by providing oversight of all devices in use across an organization.
- **Information Audit Services**
 - Blanket Network, Cloud, Application, Database and Endpoint Security Solutions are provided to counter increasingly sophisticated cyber attacks.
 - We can also perform Vulnerability Assessment, IT Auditing, Compliance, Forensic, Software Testing.
 - We also conduct onsite training and onsite awareness and orientation sessions for your employees and staff.
 - Network security audit, Web-application, Wireless security, Compliance audits (ISO 27001, PCI), Mobile App Security, ERP Audit, Payment Gateway, and Cyber Security and CSOC can also be organized.
 - We also provide Virtual CISO services to clients abroad.
- **Best in Class Security Products**
 - India, Billion Strong generates Petabytes of Data/Information per day requires a strong Cyber Security Product Framework to thwart intrusion and theft of Confidential Information. We have risen up to this challenge and present an impressive portfolio serviced to most mission critical organizations.
 - We also keep abreast of latest Internet of Things, Artificial Intelligence, Business Analytics and Machine Learning and update / recommend technology readiness strategies to keep up with future Government policies and maintain a clear edge in Fintech Domain

Under our Integrated Enterprise Solutions, we design and implement Network Infrastructure within a typical data center environment. Our solutions include campus-wide LAN WAN, Wi-Fi solutions, traditional infrastructure services such as server, storage, backup and BCP, unified communication, software defined networking (SDN), SDWAN, network transformation, and next-gen network.

Our services for Integrated Enterprise Solutions for Hub and Spoke (Corporate Head Office, Data center, and Branch Offices) are:

- **Consulting and Assessment Services:** This includes analysis of existing infrastructure landscape, performance and capacity baselining, diversity analysis, gap analysis, and designing and developing infrastructure.
- **Managed Services:** This includes deployment of operational tools for monitoring, management, operations, and end-to-end support of the infrastructure.

We examine networking and data center requirements for operational simplicity and business agility. These services are as follows:

- **Network:** Our network offerings cover a range of services including multi-vendor, multi-technology, multi-domain end-to-end solutions in which we covers all 3 major threat vectors (Endpoint, Cloud/Email and Getway Security with – consulting, auditing, planning and design, deployment, integration and testing, services migration, and network optimization. Our solutions include campus LAN WAN, Wi-Fi solutions, unified communication, software defined networking (SDN), SDWAN, network transformation and next-gen network with management solutions.
- **Network Security:** Our offering in Network security includes prevention, detection and monitoring unauthorized access, misuse, modification, or denial of a computer network and network-accessible resources through defined set of policies, procedures and practices. Usually, it involves the authorization of access to data in a network, which is controlled by the network administrator. We provide a wide range of network security services and solutions to help you decipher new technology, understand which improvements are right for your infrastructure and separate real threats from security noise.
- **SD-WAN:** SD-WAN is a software-based approach that manages wide-area networks, offers ease of deployment, central manageability, reduces costs and improves connectivity to branch offices and the cloud. Its key offerings are (i) hosting all applications in-house on the on-premises SD-WAN architecture; (ii) cloud-enabled SD-WAN architecture; (iii) cloud-enabled plus backbone SD-WAN architecture which connects the organization`s site to SD-WAN provider`s nearest network point of presence which allows the business` traffic to hop onto the SDWAN provider`s private fiber optic network backbone.

Through our SD-WAN deployment, we seek to provide clients with reliable access to apps and fewer slowdowns due to congestion, build resiliency when outages impact WAN connections, and enhance quality of service for prioritizing business-critical application traffic.

Digital Solutions Offerings

Cloud Services: Our cloud offerings comprise: (i) infrastructure-as-a-service, cloud-based big data and analytics solution, and application modernization, (ii) providing hybrid cloud services such as software define infrastructure, private cloud and multi-cloud management and integration, and (iii) Cloud Security solution which includes Virtual Firewall for cloud security (iv) other cloud services such as migration assessment and planning, cloud-managed services, and cloud innovation.

Big Data and Analytics: We provide a single point solution for big data and analytics; from real-time monitoring, consultation, implementation, analytics to operations, we offer complete data management at various stages, namely data sources, data platform, advanced analytics and data visualization. Our services for big data and analytics include:

- **Fraud and Risk Analytics:** This includes fraud analytics (namely prediction, detection, prevention and mitigation), credit monitoring and non-performing asset analysis, early warning systems, integrated risk management and enterprise fraud management.
- **IT Ops Analytics:** This includes log data collection and management, intrusion monitoring and management, security and operational analytics, audit trails for forensic analysis and compliance.

We engage with data and analytics OEMs/ platform providers to allow businesses to find, acquire, extract, manipulate, analyse, connect and visualize data using tools.

Managed Services

Managed IT services, or outsourced IT, is a third-party service that provides infrastructure, IT, and other technical support to organizations. You might also hear this type of company referred to as an MSP, short for managed service provider.

Services MSPs offer can vary widely, covering everything from cybersecurity needs, VoIP solutions, backup recovery, and more. Organizations typically seek out outsourced IT support when they lack the capital to hire and manage their own in-house IT team. Or when they prefer the expertise and outsourcing benefits.

Because of how broad and challenging IT problems are, it's not uncommon for a company to utilize an MSP in some manner, especially in a market like managed IT services. But, like many things dealing with technology, MSPs cover a broad umbrella of many different types of managed services. Knowing what the service options are and which ones you need can be a hurdle in itself.

Managed Networks and Infrastructure

With this type of service, an MSP generally takes on the entirety of network tasks. This includes establishing LAN, WAPs, and various connections for your business. They also manage backup and storage options.

Managed Security

This is a catch-all service for remote security infrastructure. It covers everything from BDR solutions to anti-malware options, keeping them updated in real-time.

Managed Support Services

This option is common among managed services providers. It typically covers all services related to IT help, from troubleshooting to dealing with advanced issues.

Network Security Business Process:

Network Security Audit – Network Security Audit is a vital component of any IT Security standard; the Network Security Audit is closely aligned with business goals of Companies. We investigate the customer's cyber security policies and the assets on the network to identify any deficiencies that put the customer at risk of a security breach.

- **Compliance Automation** – With our product offerings like scrut Automation we can work as single point of contact for customers all the compliance requirements.
- **Network Architecture Review** – Under Network Architecture Review we help customers to review their existing architecture for industry best practices, identify problem areas if any, and provide a clear and concise path for growing the network based on business and technology requirements.
- **Security Architecture Design** – We look at how information security controls and safeguards are implemented in IT systems in order to protect the confidentiality, integrity, and availability of the data

that are used, processed, and stored in those systems. Our blueprint enables organizations to map security services into an overall enterprise security architecture outline.

- **Breach Readiness Assessment** – Through this assessment we score Breach Readiness capability of a specific group of people and how they respond to a specific cyber-attack scenario against a distinct critical asset. Through this exercise we measure and score various attributes of the exercise and the participants during the tabletop exercise. It's the ultimate fire-drill for security detection and response process, it gives a picture of how detection and response will happen under real conditions.
- **Cyber Forensics** – Our service in Cyber forensics includes safeguarding, detection, extraction and documentation of computer evidence stored in the form of magnetically, optically, or electronically stored media.
- **Proof of Concept (POC)**- Proof of concept (POC) is a small project designed to find out if the idea is technically feasible before the start of development. Depending on the initial research, proof of concept allows you to assess the technical performance of your product. Ultimately, you will be able to identify possible issues before the initial stage of its development.
- **Price Negotiation**- Finalize Price of services as per customer's budget and parameters.
- **Place order to Distributors or OEM.**

The following table sets forth the revenue bifurcation by lines of business as a percentage of our total revenue from operations for Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ in Lakhs)	Percentage of Total (%)	Amount (₹ Lakhs)	Percentage of Total (%)	Amount (₹ Lakhs)	Percentage of Total (%)
Products						
Cyber Security	565.59	23.68%	1,170.60	45.32%	2,207.00	83.69%
Services						
Integrated Enterprise Solutions	1,466.08	61.38%	1,273.98	49.32%	142.58	5.41%
Managed Services	356.87	14.94%	138.39	5.36%	287.50	10.90%
Total	2,388.54	100.00%	2,582.97	100.00%	2,637.08	100.00%

Our Strengths

- *Experienced Management who lead the company to scale up and expand into new opportunities*

Our Promoter, Mr. Ragavan Rajkumar, is the guiding force having over 8 years of IT services experience and strives to continuously update himself with industry knowledge. He is supported by experienced management team which includes Mr. Sarvanan Narayanasamy having over years 23 years of industry experience. As on May 14, 2024, we had 18 employees across our key business verticals. The management's experience and relationships with various stakeholders has enabled us to extend our operating capabilities, improved the quality of services provided and aided growth of our business.

- *Dedicated tech support team to provide services/ solutions to our customers*

We have an experienced management team with significant expertise in the IT Services industry. Our management team collectively has many years of entrepreneurial and managerial experience in our industry. This has facilitated efficient operational coordination and continuity of effective business strategies. Their industry experience enables us to anticipate and address variance in customer specifications, manage and grow our operations, maintain and leverage customer relationship.

➤ ***Handled Complex migration projects***

Over the years, our experienced team has also efficiently handled complex projects without involvement of a technical team such as migration of 18,000+ Firewall policies/objects from one OEM to another involving a lot of manual effort and time to complete the project. We work to introduce new solutions preferably with some exclusivity through a deep analysis of client's system we also help them to solve problems outside our scope of work and proactively highlight problems and Solutions.

➤ ***Dynamic revenue model with continued relation with clientele***

We combine our expertise with an understanding of the IT products and services market developed through client feedback and extensive interaction on addressing issues. Our existing long term client relationship improves our customer retention strategy, repeat business from existing customers and well as get referred to new prospective clients. We started with just one project and now receive recurring business from few of the big banking institutions. Our revenue model now consists of a mix of recurring/ annual business through long term contracts, AMCs, outsourced contracts as well as project based revenue from Consulting/Implementation projects. We believe that by providing these range of services, we constantly try to address customers' growing needs and enable to form a portfolio of renowned customers in the BFSI sector.

Business Strategies

➤ ***Continue to expand our client base and increase offerings to existing client base***

We intend to continue to focus on expanding our client base by focusing on offering our digital transformation offerings led primarily by our Cyber Security solutions to new clients. We intend to target clients who have the potential to offer opportunities with large contract values. We intend to invest in client acquisition measures to drive efficient acquisition of new clients. For instance, we intend to create digital roadmaps and demonstrate proof-of-concept for potential clients, and rely on its successful execution of such proof-of-concept coupled with the spectrum of services and solutions for engagements for larger implementation projects and longer-term relationships with clients. We propose to onboard clients with offerings under one line of business, and use our integrated approach to cross-sell and up-sell our range of offerings across our other lines of business. We also intend to cater to our clients' evolving requirements with bundled solutions comprising services across our lines of business.

We also intend to refine our pricing strategy to make our offerings more competitive while remaining margin accretive. We also intend to scale our marketing efforts to increase market outreach through media mentions, conducting regular e-mail and social media campaigns and publishing thought leadership content. In particular, we intend to target companies for digital transformation, particularly focused on cyber security, Data analytics, Artificial intelligence and cloud security.

➤ ***Attract, develop and retain skilled employees to strengthen capabilities***

We intend to capitalize on the availability of qualified talent in India to strengthen our capabilities. We aim to dedicate resources to the training and development of our IT professionals. We intend to continue to conduct and expand the areas for regular knowledge sharing sessions internally as well as through our OEM connects. We have and will continue to provide our employees with access to development tools by way of subscriptions to technical programs on cyber security, cloud, automation, big data and other evolving verticals, to refine skills, and strengthen the capabilities of our existing workforce. We also intend to continue to make strategic hires in key roles to complement our existing competencies and resources.

➤ ***Expand our Managed Services offerings***

We believe that the significant increase in IT Services industries in India. There are large market opportunities for managed services. Since the outbreak of COVID-19, the demand for cloud-based solutions has seen a significant growth owing to remote working models being adopted by enterprises. Enterprises and government organizations across the world are moving from test environments to place more of their work-critical workloads and compute instances into the cloud. There has been a tremendous shift in focus toward managed services and their applications for short- and long-term strategic decisions and thus expected to hold tremendous potential for managed service providers.

Additionally, over the past few years, organizations have been actively amending their strategies to get the maximum benefit out of managed services. For instance, in the past years, organizations are increasingly focusing on reducing costs by cutting down the number of suppliers and reducing the payment size. As a result, the demand for bundled services has gained immense traction in the market over discrete offerings.

➤ ***Target High Growth Opportunity areas in the Cyber Security Services market***

The cyber security services market is transforming rapidly. They are critical non-discretionary services having cross-sector applications and thus provide an opportunity for growth. Since the outbreak of COVID-19, the increase in spear-fishing attacks has rocketed. Implementation of efficient IT operational practices has become more complex due to AI/ML technology, hybrid cloud models, digitization, integration of automation and new technology, compliance with new stringent regulatory policies. Thus, business now require consultation of IT professionals for re-strategizing system architecture. Based on our day to day interactions, customers generally prefer continuous engagement models with round the clock service. Being a considerably young and dynamic vendor gives us a competitive advantage since we can offer more customization/ innovation than large players now that delivery models are changing to ‘outcome’/‘value add’ models.

➤ ***Build Service Capabilities:***

We strive to work with mainly niche technologies by providing innovative and customized solutions to complex projects. We have built robust architecture leading to lower Total Cost of Ownership and aim to continue to provide exclusive solutions and varied services to our customers. To this effect, we intend to invest in developing various services such as Incident Response (IR), DevOps, Audit and Compliance, MSS, Managed WAN, building NOC/SOC for remote operations and monitoring. In the coming years we aim to develop integration software for automation, orchestration and monitoring solutions using open API's, AI based products and software solutions, so that in addition to Cyber security solutions, we will be able to cater to different verticals such as hospital management/pharma and quant financial domains, where there is scope and requirement of data analytics and machine learning.

Our Delivery Model

We typically assume primary project management responsibility for various stages of implementation of the project. Typically, a project team consists of a small number of our professionals based at the client's location who define the scope of the project, track changes to specifications and requirements during project implementation, assist in installing the software or system at the client's site and ensure its continued operation.

Our office is a virtual extension of the client's working environment with resources and infrastructure that supplement the client's facilities. In our projects, we endeavor to increase the proportion of work performed at our office in order to be able to take advantage of the various benefits associated with this approach, including higher gross margins and increased process control. Due to the level of investment required by our clients in setting-up an in-house delivery center, and the quality of services we provide, this model has provided us a high percentage of repeat business and a stable revenue stream.

Contracting Model

Our business model is centred around bundled contracts that cover a range of services from architecting, designing, implementing solutions to monitoring and providing maintenance services to clients. This is a solution-led approach that allows for regular interactions with the client thereby facilitating long-term engagement with the client.

Our Clients

The following table sets forth the revenue bifurcation from contracts with customers by customer-verticals for Fiscal 2022, 2023 and 2024:

(₹ In Lakhs)

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
BFSI	463.94	19.42%	231.39	8.96%	945.79	35.87%
Others	1,924.60	80.58%	2,351.58	91.04%	1,691.24	64.13%
Total	2,388.54	100.00%	2,582.97	100.00%	2,637.08	100.00%

BSFI (Banking Financial Services and Insurance) - Clients in this vertical include banking companies, cooperative banks, financial services institutions, and stock exchanges.

Notable projects for banks include consulting, designing and building an entire G-SOC, revamping IT infrastructure to enhance advanced banking solutions, strengthening IT security infrastructure to improve compliance with applicable regulations, providing enterprise fraud risk management solutions, and building a greenfield data center to optimize on costs associated with colocation services.

Competition

We compete with a variety of cyber security and IT companies, as well as service providers. We believe that the key competitive factors in our industry include changing technologies, client preferences and needs and the ability to rapidly deliver solutions supporting such evolving needs. Other competitive factors include breadth and depth of service offerings, domain expertise, reputation and track record and the ability to tailor our service offerings to specific client needs.

Human Resources

As of May 14, 2024 we had 17 full-time employees. The following table sets forth a breakdown of our employees by function:

Functions	Number of Employees
Management	2
Compliance	1
Accounts, Finance	2
Administration	2
HR & Inside Sales	1
Technical and IT Operation	6
Sales	4
Total	18

We strive to focus on attracting, developing and retaining talented IT professionals. Our hiring practice includes technical interviews and managerial interview rounds. Our team is prepared to provide Quick Critical Response and ensure 24x7x365 availability. We place significant emphasis on training our personnel and increasing their skill levels and fostering ongoing employee engagement. We ensure that our employees complete skill building programs and conduct knowledge sharing sessions internally as well as via our OEM partners, and access to training materials.

Insurance

We maintain general insurance with various covers for our office premises. We believe that the level of insurance we maintain is appropriate for the risks of our business and is comparable to that maintained by other companies in our markets operating in the same business lines. However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See “*Risk Factors– Insurance coverage obtained by us may not adequately protect us against unforeseen losses*” on page 22 of this Draft Letter of Offer.

Intellectual Property

As on the date of this Draft Letter of offer, our company has not applied for registration for any intellectual property rights. With regards to risks associated with the same, please refer section titled “*Risk Factors*” on page 22 of this Draft Letter of offer.

Properties

The details of properties of the company are as follows:

Purpose	Location	Agreement
Registered Office	A-309, Sagartech Plaza, Andheri Kurla Road, Opp. Rubber Factory, Sakinaka, Andheri East, Mumbai – 400072, Maharashtra, India.	Leave and License
Proposed to be used as Data Centre Office.	Industrial Units 403- 406, 4 th floor, Block A, Platinum Springs, built on Plot No. 6, Part A (G20-G24). Part B and G-19, MIDC Industrial Area, Panvel, Raigad, Maharashtra	Deed of Assignment

Existing Capacity and Capacity Utilisation:

Capacity and capacity utilization is not applicable to our Company, since, our business is not in the nature of a manufacturing concern with specified installed capacity

OUR MANAGEMENT

Board of Directors

As per the Articles of Association and subject to the provisions of the Companies Act, our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Draft Letter of Offer, our Board comprises of 5 (Five) Directors, of which 1 (One) director is designated as Managing Director, 1 (One) Women Director designated as Executive Directors and 3 (Three) are Non-Executive and Non-Independent Directors. The composition of the Board and the various committees of the Board are in conformity with Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations.

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

Sr. No.	Name, DIN, Date of Birth, Age, Address, Occupation, Designation, Date of Original Appointment and Date of Expiration of Current Term, Date of Re-designation and Nationality	Other Directorships
1)	<p>Name: Mr. Ragavan Rajkumar</p> <p>DIN: 02002480</p> <p>Date of Birth: December 21, 1982</p> <p>Age: 42 years</p> <p>Address: Flat No.-402, D-wing, Castle Rock, Hiranandani Gardens, Powai, Mumbai 400076</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director: for a term of 3 years commencing from August 31, 2021 and August 30, 2024</p> <p>Designation: Managing Director</p> <p>Date of Original Appointment: March 01, 2016</p> <p>Date of Re-designation: August 31, 2021</p> <p>Nationality: Indian</p>	<p>Private Limited Company: Sharegiants Wealth Advisors Private Limited</p>
2)	<p>Name: Ms. Sonam Ragavan</p> <p>DIN: 08789592</p> <p>Date of Birth: July 15, 1993</p> <p>Age: 31 years</p> <p>Address: G-Wing, 2nd Floor, Flat No.-244, Delta Vrindavan, Mira MIDC Road, Dahisar Check Naka, N H No. 8, Mira Road (E), Thane 401107</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director: Liable to Retire by Rotation</p> <p>Designation: Executive Director</p> <p>Date of Original Appointment: July 09, 2020</p>	Nil

Sr. No.	Name, DIN, Date of Birth, Age, Address, Occupation, Designation, Date of Original Appointment and Date of Expiration of Current Term, Date of Re-designation and Nationality	Other Directorships
	<p><i>Date of Re-Appointment:</i> July 23, 2021</p> <p><i>Nationality:</i> Indian</p>	
3)	<p>Name: Mr. Gopala Ramaratnam</p> <p>DIN: 9273100</p> <p>Date of Birth: January 01, 1952</p> <p>Age: 72 years</p> <p>Address: Flat No.704, Laxmi Icon, Plot No.69/70, Sector 44A, Seawoods, Nerul West, Thane, Navi Mumbai-400706, Maharashtra, India</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director: Five years with effect from November 06, 2021</p> <p>Designation: Non-Executive Independent Director</p> <p>Date of Appointment: November 11, 2021</p> <p>Nationality: Indian</p>	<p>Public Limited Company: Indian Commodity Exchange Limited</p>
4)	<p>Name: Mr. Sushilkumar Agrawal</p> <p>DIN: 00400892</p> <p>Date of Birth: June 28, 1948</p> <p>Age: 76 years</p> <p>Address: A-2, Matru Ashish Building, 14th Floor 454, Nepeansea Road, Near Petrol Pump, Mumbai-400036, Maharashtra, India</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director: Five years with effect from December 31, 2020</p> <p>Designation: Non-Executive Independent Director</p> <p>Date of Appointment: August 25, 2020</p> <p>Nationality: Indian</p>	<p>Public Limited Company:</p> <ul style="list-style-type: none"> • Goldengadre Financial Services Limited • Margo Finance Limited • Reliance Home Finance Limited • Reliance Wealth Management Limited • Reliance Health Insurance Limited • Pranavadiya Spinning Mills Limited • Reliance Broadcast Network Limited • Viscount Management Services Limited • Reliance Money Express Limited • Indian Commodity Exchange Limited <p>Private Limited Companies:</p> <ul style="list-style-type: none"> • Ana Cyber Forensic Private Limited • Reliance Financial Advisory Services Private Limited
5)	<p>Name: Mr. Asheesh Chatterjee</p> <p>DIN: 05135647</p> <p>Date of Birth: July 29, 1973</p> <p>Age: 51</p> <p>Address: Flat No. 133, Wing- 2B, Windermere, Off.</p>	<p>Private Limited Companies:</p> <ul style="list-style-type: none"> • Northstar Strategy Lab Private Limited

Sr. No.	Name, DIN, Date of Birth, Age, Address, Occupation, Designation, Date of Original Appointment and Date of Expiration of Current Term, Date of Re-designation and Nationality	Other Directorships
	<p>New Link Road, Near Oshiwara Police Station, Andheri (West), Mumbai –400053, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of expiration of current term of office of Director:</i> Five years with effect from November 06, 2021.</p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Date of Appointment:</i> November 06, 2021</p> <p><i>Nationality:</i> Indian</p>	

Brief Biographies of Our Directors

Mr. Ragavan Rajkumar, as Managing Director and Chairman sets and evolves the strategic direction for the Company and has been associated with our Company since March 1, 2016. He holds degree of Bachelors of Engineering in Automobile from Madras University. He has experience of more than 15 years in Sales and Marketing, Client Servicing and sales promotion in financial sector. He has nearly 8 years of experience in IT Services. He has been part of IT services industry with strong record of technology integration, cyber security and networking.

Ms. Sonam Ragavan is the Executive Director of our Company. She holds bachelor’s degree in commerce from Mumbai University. She has more than 6 years of experience in the field of Accounts and Finance. She has wide knowledge in financial and management accounting, reporting and taxation. Earlier she worked with Infra Essentials, MRK Interior & Creation Private Limited as Accountant Assistant. Currently, she is handling finance part of the Company. She has played a crucial role and provided necessary support in the growth of our Company.

Mr. Sushilkumar Agrawal is the Non-executive Independent Director of our Company. He is associated with our Company since August 2020. He holds bachelor’s degree in Commerce from Mumbai University. He holds Certificate of Practice as Chartered Accountant and has been practicing from October 1977. He is a Practicing Chartered Accountant with nearly 50 years of experience in the field of Audit, Financial consultancy, Tax consultancy and other services related to fund raising and compliance. He is a senior partner at M/s. N.D. Kapur & Co., Chartered Accountants. He also holds membership of Indian Merchants Chamber of Commerce (Member of Committee of Economic Policy), Institute of Directors, Indian Institute of Corporate Affairs, Transasia Chamber of Commerce (Co Chairman of Taxation Committee).

Mr. Gopala Ramaratnam is the Non- Executive Independent Director of our Company. He has overall 35 years of experience in Audit, Vigilance & Risk Management. Earlier he had worked with RBL Bank, ABN AMRO & Bank of America. His has significant regional and global exposure and experience in credit, capital markets and general administration. He holds degree of Bachelor of Arts and certified lead Auditor for BS 7799 (Information Security Standard) from British Standard Institute, India, Master Blackbelt in Six Sigma, MR for ISO.

Mr. Asheesh Kamalakanta Chatterjee is the Non- Executive Independent Director of our Company. He holds degree of Chartered Global Management Accountant (CGMA) from CIMA & AICPA, Chartered Accountant from Institute of Chartered Accountants of India, Management Accountant from Institute of Cost & Works Accountants of India & Bachelor of Commerce from University of Mumbai. He had worked with various media value chain organizations. Also managing Joint ventures with global majors including CBS, RTL, Bloomberg, Georgeville TV. He had successfully executed implementation of Dashboards, Tableau, SAP, CRM, workflows and digital transformation projects across sectors. He has rich experience in Corporate Finance, Fund management, International loan syndication, PE Fund Raising, Debt Raise from Indian lenders, Managing JVs. Also holding certificate in Digital Transformation from Kellogg School of Management, Certificate for Globalisation & Digital Transformation from Columbia Business School, Certificate in IFRS from KPMG, India.

Confirmations

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Draft Letter of Offer, during their term of directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during the five (5) years preceding from the date of this Draft Letter of Offer, during their term of directorship in such company.

None of our Directors have been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors, have been identified as Willful Defaulters or Fraudulent Borrowers.

None of our Directors are declared as Fugitive Economic Offenders.

None of our Directors are, in any manner, associated with the securities market.

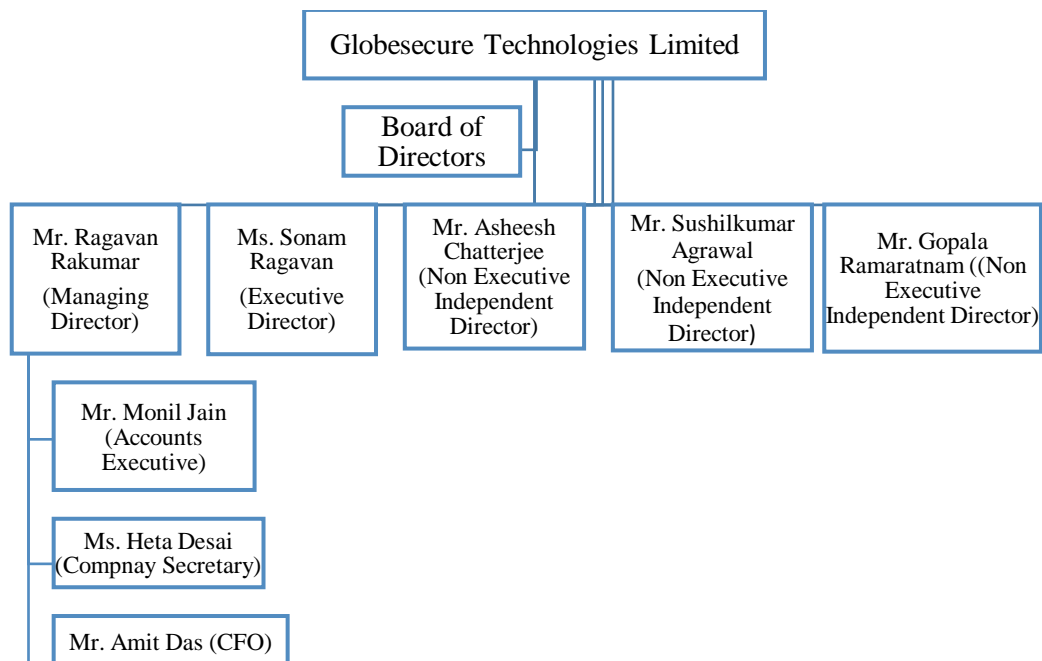
None of the directors are related to each other in terms of the definition of 'relative' under Section 2 (77) of the Companies Act, except as set out below:

Name	Relationship
Mr. Ragavan Rajkumar and Mrs. Sonam Ragavan	Husband-wife

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers, or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

Except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Managerial Personnel has entered into a service contract with our Company, pursuant to which they are entitled to any benefits upon termination of employment.

Management Organization Structure:



Corporate Governance

The provisions of the Companies Act, 2013 with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable provisions of the Act and the Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Committees, as required under the law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the Companies Act, 2013. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations, if applicable:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

Details of each of these committees are as follows:

Audit Committee

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on November 06, 2021, with the following members forming a part of the said committee:

Name of the Members	Designation	Chairman/Member
Mr. Sushilkumar Agrawal	Independent Director	Chairman
Mr. Gopala Ramaratnam	Independent Director	Member
Mr. Asheesh Chatterjee	Independent Director	Member

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 and as per Regulation 18 and Part C of Schedule II of SEBI LODR Regulations. The terms of reference of the Audit Committee include the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approve payment to statutory auditors for any other services rendered by the statutory auditors;
4. review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
5. review, with the management, the quarterly financial statements before submission to the board for approval;
6. review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated

in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto. Such approval can be in the form of omnibus approval of related party transactions, subject to conditions not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the SEBI LODR Regulations;
9. Subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given pursuant to 6 above;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI LODR Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
10. scrutinize inter-corporate loans and investments;
11. valuation of undertakings or assets of the Company, wherever it is necessary;
12. evaluation of internal financial controls and risk management systems;
13. review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. review 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;
15. discussion with internal auditors of any significant findings and follow up there on;
16. review 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;
17. 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;
18. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. to review the functioning of the whistle blower mechanism;
20. Oversee the procedures and processes established to attend to issues relating to the maintenance of books of accounts, administrations procedures, transactions and other matters having a bearing on the financial position of our company, whether raised by the auditors or by any other person;
21. Act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
22. Approve the appointment of chief financial officer (i.e the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
23. Oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns;
24. Carrying out any other function as is mentioned in the terms of reference of the audit committee and any other terms of references as may be decided by the board of directors of our company or specified/provided under the Companies Act, 2013 or by the SEBI LODR Regulations or by any other regulatory authority; and
25. Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

The Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;

- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The powers of the Audit Committee are as mentioned below:

1. to investigate any activity within its terms of references;
2. to seek information from any employee of our Company;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

Meeting of 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 a minimum of two independent members present.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was last reconstituted by our Board of Directors in their meeting held on November 06, 2023. The members of the said committee are as follows:

Name of the Members	Designation	Chairman/Member
Mr. Asheesh Chatterjee	Independent Director	Chairman
Mr. Gopala Ramaratnam	Independent Director	Member
Mr. Sushilkumar Agarwal	Independent Director	Member

The role of the Nomination and Remuneration shall be in accordance with Section 178 of the Companies Act 2013 and as per Regulation 19 and Part D of Schedule II of SEBI LODR Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

- a) Formulating and recommending to the Board of Directors for its approval and also to review from time to time, a nomination and remuneration policy or processes, as may be required pursuant to the provisions of the Companies Act;
- b) formulation of the criteria for determining qualifications, 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;
- c) identifying persons who are qualified to become directors and persons who may be appointed in senior management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- d) Determining 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.
- e) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- f) recommending to the board, all remuneration, in whatever form, payable to senior management.
- g) recommending to the Board, qualifications, appointment, remuneration and removal of Directors, key management personnel and persons in senior management positions in accordance with the nomination and remuneration policy;
- h) devising a policy on diversity of board of directors;
- i) carrying out performance evaluation of every Director in accordance with the nomination and remuneration policy;

- j) considering grant of stock options to the eligible Directors, formulating detailed terms and conditions of employee stock option scheme and administering and exercising superintendence over employee stock option schemes;
- k) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure / policy;
- l) performing such other activities as may be delegated by the Board or specified or provided under the Companies Act, 2013 or the SEBI LODR Regulations, and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.

Stakeholders' Relationship Committee

The Committee, inter-alia, approves issuance of duplicate share certificates as well as oversees and reviews all matters connected with the securities transfer, transmission, nomination, dematerialization and rematerialisation including redressing grievances related thereto. The Committee also considers redressing of shareholder's complaints relating to non-receipt of notices/annual reports and dividends etc.

Our Stakeholders' Relationship Committee was last reconstituted by our Board of Directors in their meeting held on November 06, 2023. The members of the said committee are as follows:

Name of the Members	Designation	Chairman/Member
Mr. Gopala Ramaratnam	Independent Director	Chairman
Mr. Sushilkumar Agarwal	Independent Director	Member
Mr. Asheesh Chatterjee	Independent Director	Member

The Stakeholders Relationship Committee shall oversee all the matters pertaining to investors of our Company. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- a) Consider and resolve the grievances of security holders of the Company including Investors' Complaints;
- b) Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
- c) Redressing of shareholders and investors complaints such as non-receipt of declared dividend, annual report, transfer of Equity shares and issue of duplicate / split / consolidated share certificates;
- d) Monitoring transfers, transmissions, dematerialization, rematerialization, 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;
- e) Reference to statutory and regulatory authorities regarding investor grievances;
- f) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
- g) Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting.
- h) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Following are the Key Managerial Personnel of our Company:

Details of Key Managerial Personnel and Senior management Personnel

Mr. Ragavan Rajkumar, our Managing Director, Mr. Amit Das, our Chief Financial Officer, and Ms. Heta Desai, our Company Secretary & Compliance Officer are the Key Managerial Personnel of our Company as defined in Section 2(51) of the Companies Act, 2013.

Brief profiles of our Key Management Personnel

For a brief profile of Mr. Ragavan Rajkumar, see “*Our Management - Brief Profiles of our Directors*” on page 68 of this Draft Letter of Offer.

The details of our other Key Management Personnel as of the date of this Draft Letter of Offer are set forth below:

Mr. Amit Das, aged 46 years, is the Chief Financial Officer of our Company. He has been appointed as Chief Financial Officer of the Company w.e.f. April 01, 2024. He holds degree of Masters in Financial Management from Thakur Institute of Management Studies & Research (Mumbai University). He has nearly 23 years experience of financial administration / accounting and office management including HR issues, financial accounting and budgeting to month-end, year-end and trial balance (all purchase, sales and expense ledgers, statements, tax, GST and cashbooks). He is entitled to the salary of ₹ 8,40,000/- p.a. from our Company for the financial year 2024-2025

Ms. Heta Desai, aged 36 years, is the Company Secretary & Compliance Officer of our Company. She has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. July 15, 2021. She holds Bachelor’s degree of Commerce from the University of Mumbai and is an associate member of Institute of Company Secretaries of India (ICSI). She also holds degree of Bachelor in Law from Mumbai University. She has an overall experience of 10 years in Secretarial and compliance work. She is entitled to the salary of ₹ 8,32,020 p.a. from our Company for the financial year 2023-2024.

Relationship Between Key Managerial Personnel / Directors

Other than as described below, our Key Management Personnel are neither related to each other nor related to any of the directors:

Our Managing Director, Mr. Ragavan Rajkumar is related to Mrs. Sonam Ragavan, Director of our Company. For further details see “*Our Management- Family Relationship between the Directors*” on page 68 of this Draft Letter of Offer.

Apart from the above details, there is no relationship between other Directors of the Company.

STATUS OF EACH KEY MANAGERIAL PERSONNEL AS A PERMANENT EMPLOYEE OR OTHERWISE

All our Key Managerial Personnel are permanent employees of our Company.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to working capital requirements, profit earned during the Fiscal, capital expenditure requirements, cash flow to meet contingencies, liquidity, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance our fund requirements for our business activities.

Our Company has not declared and/or paid any dividend on the Equity Shares during the last three Fiscal years and till the date of this Draft Letter of Offer.

SECTION VII-FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Page Number of Annual Report / Financial Statements
1)	Audited Financial Statements as at and for the year March 31, 2024.	FS 1 – FS 38

INDEPENDENT AUDITORS' REPORT

**To the Members of
Globesecure Technologies Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Globesecure Technologies Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and its profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Sr. No.	Key Audit Matter	How our audit addressed the key audit matters
1	<p>Income Tax Matters – Income Tax Demand for various Assessment years.</p> <p>As at March 31, 2024, the Company has exposures of Rs. 1,015.58 Lakhs towards disallowances, penalty, interest etc. as set out in Note No.26 of the financial statement.</p>	<p>Our audit procedures included the followings:</p> <ul style="list-style-type: none">• Understanding and evaluating the design, implementation and testing of the operating effectiveness of controls around the recognition, measurement and presentation & disclosures made in the financial statements in respect of income tax matters;• Obtaining and reviewing the demand order, alongwith the management assessment. Reviewing of the management’s basis of conclusion on the outcome and the magnitude of potential loss which may arise in case of legal decision does not come in favour of the Company as follows;• We inquired with the management for recent developments and the status of the material litigations which were reviewed and noted by the Audit Committee• Assessing on test basis on the underlying calculation supporting the contingent liabilities and other litigation disclosures in the financial statements;• Reviewing orders and other communication from tax and regulatory authorities and management responses thereto;
2	<p>Recoverability of long term loans & advances amounting to Rs. 954.36 lakhs (as described in note 12 of the financial statements)</p>	<p>Our audit procedures included the followings:</p> <ul style="list-style-type: none">• Understanding and evaluating the design, implementation and testing of the operating effectiveness of controls around the loans and advances given and recoverability of the balances at the year end;

		<ul style="list-style-type: none">• We have obtained and reviewed management assessment for loans & advances given for the purpose of joint development of the product arrangement and impairment for the product under development if any;• We assessed the management basis for valuation and recoverability along-with the underlying assumption used in the model prepared by the management;
3	Inventories: Inventories valuation as at March 31, 2024 of Rs. 1014.68 lakhs (Refer Note No. 14)	Our audit procedures included the followings: <ul style="list-style-type: none">• Understanding and evaluating the design, implementation and testing of the operating effectiveness of controls around the physical verification of inventory and valuation.• We have reviewed the management physical verification report along-with the conclusion. Management uses certain judgment around slow moving and non moving items for calculating its recoverable amount which is non-standardised method. We have reviewed and tested the few inventories items on a test check basis as required;

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to Report that fact. We have nothing to Report in this regard.

Responsibility of Management and Those Charge with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financials position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial Reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period

and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in "Annexure A", as required by Section 143(3) of the Act, we Report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the

Company's internal financial controls with reference to standalone financial statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations which would impact its financial position – *Refer Note No. 26 of the financial statement.*
 - ii. The Company has not entered any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
 - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented , that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding , whether recorded in writing or otherwise, that the Company shall, whether , directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries ") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year hence no compliance is required with Section 123 of the Companies Act 2013.
- vi. Based on our examination, which includes test check basis, the Company has used accounting softwares for maintaining books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended on March 31, 2024.

For **KUMBHAT & CO.**
Chartered Accountants
Firm Reg. No. 001609S

Place: Mumbai
Date: 15/05/2024

Gaurang C. Unadkat
Partner
Membership No. 131708
UDIN: **24131708BKBHZS3104**

Annexure "A" to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a phased program of physical verification of Property, Plant and Equipment so to cover all the assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is a lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) (a) As explained to us, the physical verification of inventory has been conducted by the Management in accordance with the phased programme of verification which, In our opinion, is reasonable and no material discrepancies were noticed on such verification and the discrepancies noticed on physical verification for each class of inventory have been properly dealt with in the books of accounts.

(b) The Company has not been sanctioned working capital limits in excess of 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable

- (iii) According to the information and explanations given to us, during the year, the Company has neither made any investments in, companies, firms, Limited Liability Partnerships, and nor granted unsecured loans to other parties. Further, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee, which are covered by the provisions of Section 185 and 186 of the Companies Act 2013. Hence, reporting under Clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or money deemed to be deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Cost records prescribed under Section 148(1) of the Act are not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they become payable except below dues of Income Tax:

Nature of the Statute	Nature of Dues	Amount	Period to Which it Relates	Date of Payment
Income Tax Act ,1961	TDS	10,460,197.19	FY 23-24	14/05/2024
		676,610.00	FY 22-23	
		192,120.00	FY 21-22	
		235,830.00	FY 20-21	
		651,150.00	FY 19-20	
		263,850.00	FY 18-19	
		733,220.00	FY 17-18	
		35,080.00	FY 16-17	

(b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of any dispute except below dues of Income Tax:

Nature of the Statute	Nature of Dues	Amount	Period to Which it Relates	Forum where the dispute is pending
Income Tax Act ,1961	Income Tax	998.77	AY 20-21	Appeal has been filed with CIT(A) against the order passed u/s.143(3) against the addition made of INR 998.77 lakhs.
Income Tax Act ,1961	Income Tax	16.81	AY 21-22	Appeal has been filed with CIT(A) against the order passed u/s.143(3) against the addition made of INR 16.81 lakhs.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in any repayment of loans or other borrowings from or in the payment of interest thereon to any lenders except below secured loans:-

Nature of borrowing including debt securities	Name of lender	Amount unpaid on the due date	Principal Amount	Number of days of delay	Amount unpaid on the due date	Interest Amount	Number of days of delay
Secured Loans	Bank of Baroda	134,570	principal	14	74,559.00	Interest	14
		138,054	principal	16	71,965.00	Interest	16
		136,770	principal	38	73,249.00	Interest	38
		140,200	principal	15	69,819.00	Interest	15
		139,023	principal	41	70,996.00	Interest	41
		140,317	principal	41	69,702.00	Interest	41
		145,870	principal	12	64,149.00	Interest	12
Secured Loans	Bank of Baroda	10,883.00	principal	14	9,939.00	Interest	14
		11,287.00	principal	16	9,535.00	Interest	16
		11,057.00	principal	23	9,765.00	Interest	23
		11,457.00	principal	8	9,365.00	Interest	8
		11,237.00	principal	41	9,585.00	Interest	41
		11,349.00	principal	41	9,473.00	Interest	41
		12,043.00	principal	12	8,779.00	Interest	12

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c). The Company has applied the Term loan for the purpose for which the loan were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) In our opinion and according to information and explanation given to us, the Company has not raised any moneys by way of initial Public Offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) According to information and explanations given to us there were no whistle blower complaints received by the Company during the year.

(xii) As the Company is not Nidhi Company, the reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash loss during the current financial year and during the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Currently Provisions of Section 135(5) of the Companies Act, relating to Corporate Social Responsibility spending, are not applicable to the Company, hence the reporting under clause 3(xx) of the Order is not applicable.

(xxi) The Company has no Subsidiaries, Associates and Joint Venture Companies. The Company need not prepare consolidated financial statements and hence the financial statements have been prepared by the management of the company and audited by us on standalone basis. Considering this, the question of qualification or adverse remarks of the respective auditors in the Companies (Auditors' Report) Order (CARO) reports of the companies being included in consolidated financial statement does not arise.

For **KUMBHAT & CO.**
Chartered Accountants
Firm Reg. No. 001609S

Place: Mumbai
Date: 15/05/2024

Gaurang C. Unadkat
Partner
Membership No. 131708
UDIN: **24131708BKBHZS3104**

Annexure "B" to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Globesecure Technologies Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KUMBHAT & CO.

Chartered Accountants
Firm Regn. No. 001609S

Place: Mumbai

Dated: 15/05/2024

Gaurang C. Unadkat

Partner

Membership No. 131708

UDIN: **24131708BKBHZS3104**

Globesecure Technologies Limited
Balance Sheet as at March 31,2024
CIN L72200MH2016PLC272957

(Rs. In Lakhs)

	Particulars	Note No.	As at March 31,2024	As at March 31,2023
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	2	910.83	910.83
	(b) Reserve and Surplus	3	1,204.75	1,103.61
			2,115.58	2,014.45
(2)	Non-Current Liabilities			
	(a) Long -Term Borrowing	4	268.47	191.34
	(b) Deferred Tax Liabilities/(Assets) (net)	5	(9.78)	5.30
	(c) Long-Term Provisions	6	8.30	6.31
			266.99	202.95
(3)	Current Liabilities			
	(a) Short Term Borrowings	7	614.17	487.83
	(b) Trade Payables	8		
	(i) Due to Micro & Small Enterprises		15.83	187.25
	(ii) Others		41.58	726.42
	(c) Other Current Liabilities	9	406.24	275.01
	(d) Short- Term Provisions	10	7.34	0.40
			1,085.16	1,676.91
	Total		3,467.73	3,894.30
II	ASSETS			
(1)	Non Current Assets			
	(a) Fixed Assets			
	(i) Property, Plants and Equipment	11	439.42	504.48
	(b) Long-Term loans and advances	12	954.36	826.16
	(c) Other Non-Current Assets	13	30.33	19.23
			1,424.10	1,349.86
(2)	Current Assets			
	(a) Inventories	14	1,014.68	1,505.42
	(b) Trade Receivable	15	392.62	273.50
	(c) Cash and Cash Equivalents	16	28.68	23.26
	(d) Short Term Loans and Advances	17	440.21	739.91
	(e) Other Current Assets	18	167.44	2.34
			2,043.63	2,544.43
	TOTAL		3,467.73	3,894.30
	Significant Accounting Policies	1		
	Notes on Financial Statements	26 - 40		

As per our report of even date attached

For Kumbhat & Co.
Chartered Accountants
FRN: 001609S

For and on the behalf of the Board of Directors
Globesecure Technologies Limited

Gaurang Unadkat
Partner
Membership No. : 131708

Ragavan Rajkumar
Managing Director
DIN: 02002480

Sonam Ragavan
Director
DIN: 08789592

Amit Das
Chief Financial Officer

Heta Desai
Company Secretary

Place:- Mumbai
Date:- May 15, 2024

Place:- Mumbai
Date:- May 15, 2024

Globesecure Technologies Limited
Statement of Profit and loss Account for the year ended March 31, 2024
CIN L72200MH2016PLC272957

(Rs. In Lakhs)

	Particulars	Note No.	For the year ended on March 31, 2024	For the year ended on March 31, 2023
I	Revenue from operation	19	2,388.54	2,582.97
II	Other income	20	112.94	1.58
III	Total Revenue (I + II)		2,501	2,585
IV	Expenses			
	Purchase of Support Services, Licenses and Hadwares	21	1,244.07	2,788.33
	(Increase)/Decrease in Stock	22	490.74	(832.84)
	Employee Benefits Expenses	23	239.73	190.00
	Finance Cost	24	101.03	71.16
	Depreciation and Amortisation Cost	11	105.57	51.00
	Other Expenses	25	172.37	96.44
	Total Expenses		2,353.52	2,364.08
V	Profit before tax (III - IV)		147.96	220.46
VI	Tax Expenses			
	(1) Current Tax		61.90	63.00
	(2) Deferred Tax		(15.07)	1.04
	(3) Excess/(Short) Income Tax Provision of earlier year		-	9.30
VII	Profit (Loss) for the Year		101.13	165.73
VIII	Earning per Equity share :	32		
	(1) Basic		1.11	1.94
	(2) Diluted		1.11	1.94
	Significant Accounting Policies	1		
	Notes on Financial Statements	26 - 40		

As per our report of even date attached

For Kumbhat & Co.
Chartered Accountants
FRN: 001609S

Gaurang Unadkat
Partner
Membership No. : 131708

For and on the behalf of the Board of Directors
Globesecure Technologies Limited

Ragavan Rajkumar
Managing Director
DIN: 02002480

Sonam Ragavan
Director
DIN: 08789592

Amit Das
Chief Financial Officer

Heta Desai
Company Secretary

Place:- Mumbai
Date:- May 15, 2024

Place:- Mumbai
Date:- May 15, 2024

Globesecure Technologies Limited
Cash flow statement for the period ended 31st March 2024
CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	31st March, 2024	31st March, 2023
Cash flow from operating activities		
Profit/(loss) before tax	147.96	220.46
Non-cash adjustments to reconcile profit before tax to net cash flows		
Prior Period non- cash adjustment		-
Depreciation	105.57	51.00
Finance Cost	101.03	71.16
Operating profit/(loss) before working capital changes	354.56	342.62
Movements in working capital:		
Increase/(decrease) in short term borrowings	126.34	(3.67)
Increase/(decrease) in trade payables	(856.25)	(1,000.04)
Increase/(decrease) in other current liabilities	131.23	(24.93)
Increase/(decrease) in short term provision	6.94	0.11
Decrease/(increase) in Other current Assets	(165.10)	0.91
Decrease/(increase) in Inventories	490.74	(832.84)
Decrease/(increase) in trade receivables	(119.12)	1,289.36
Decrease/(increase) in short-term loans and advances	299.71	(264.15)
Cash generated from Operations	269.04	(492.64)
Direct taxes paid	(61.90)	(53.70)
Net Cash from Operating Activities (A)	207.15	(546.33)
Cash flows from investing activities		
Sale/(Purchase) of Fixed Assets	(0.00)	(219.77)
Decrease/(increase) in Other Non-current Assets	(11.10)	(15.73)
Net cash flow from/(used in) investing activities (B)	(11.10)	(235.50)
Cash flow from financing activities		
Acceptance / (Repayment) of Loan		
Increase/(decrease) in other Long Term borrowings	77.12	(97.89)
Increase/(decrease) in long term provision	1.99	2.04
Decrease/(increase) in Long Term Loans and Advances	(128.20)	77.05
Increase in share capital	-	863.30
Finance Cost	(101.03)	(71.16)
Net cash flow from/(used in) financing activities (C)	(150.11)	773.34
Net increase/(decrease) in cash and cash equivalents (A+B+C)	45.93	(8.50)
Cash and cash equivalents at the beginning of the year	23.26	31.76
Cash and cash equivalents at the end of the year	69.19	23.26

As per our report of even date attached

For Kumbhat & Co.
Chartered Accountants
 FRN: 001609S

Gaurang Unadkat
Partner
 Membership No. : 131708

For and on the behalf of the Board of Directors
Globesecure Technologies Limited

Ragavan Rajkumar
Managing Director
 DIN: 02002480

Sonam Ragavan
Director
 DIN: 08789592

Amit Das
Chief Financial Officer

Heta Desai
Company Secretary

Place:- Mumbai
 Date:- May 15, 2024

Place:- Mumbai
 Date:- May 15, 2024

Globesecure Technologies Limited

Notes to the financial statements for the year ended March 31, 2024

CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 2 :- Share Capital		
Authorised		
2,50,00,000 Equity Shares of Rs 10/- each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued Subscribed and paid up Share Capital		
91,08,349 Equity Shares of Rs 10/- each fully paid up	910.83	910.83
Total	910.83	910.83

(a) The company has only one class of shares i.e. Equity Share

All equity shares rank **pari-passu** and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts

(b) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of Shares held	%	No. of Shares held	%
Ragavan Rajkumar	28.27	31.04	28.27	31.04
Kirti S Asrani	5.00	5.49	5.00	5.49
Veena Rajesh Shah	-	-	8.20	9.00
Saravanan N	4.33	4.76	4.33	4.76
Nivedita Malvi	4.29	4.71	4.29	4.71
Total	41.89	45.99	50.09	55.00

(c) Details of Shares held by Promoters

Name of the Shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of Shares held	%	No. of Shares held	%
Ragavan Rajkumar	28.27	31.04	28.27	31.04
Saravanan N	4.33	4.76	4.33	4.76
Total	32.60	35.80	32.60	35.80

Note No. 3 :- Reserves and Surplus

	As at 31st March 2024	As at 31st March 2023
Securities Premium		
Opening balance	789.54	275.44
Add: Shares issued at Premium		663.48
Less: IPO issue expenses		(149.38)
Closing balance	789.54	789.54
Profit and Loss Account		
As per last balance sheet	314.07	148.34
Add : Profit during the year	101.13	165.73
Balance at the end of the year	415.21	314.07
	1,204.75	1,103.61

Globesecure Technologies Limited		
Notes to the financial statements for the year ended March 31, 2024		
CIN L72200MH2016PLC272957		
(Rs. In Lakhs)		
Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 4 :- Long Term Borrowing		
Secured Loans		
Bank of Baroda Term loan: (Secured by way of hypothecation of vehicle MERCEDES - BENS GROUP GLS vlaued at Rs.144.75 Lakhs)	65.74	83.76
Bank of Baroda Term loan: (Secured by way of hypothecation of vehicle Maruti Suzuki -ERTIGA vlaued at Rs.14.26 Lakhs)	10.39	-
Unsecured Loan :		
From Directors	191.07	95.51
From Financial Institution (NBFC)	1.27	12.08
	268.47	191.34
(Includes Unsecured Loan taken from various NBFCs ranging from interest rate 10% to 15% repayable from the period 1 year to 3 years and the same has been classified as Current and Non-current based on the original tenure of the loan)		
Maturity profile of unsecured loan(NBFC) are set out as below:		
	1st year	2nd year
	19.13	1.27
Note No. 5 :- Deffered Tax Liabilities		
On Account of		
Depreciation	(9.24)	5.40
Gratuity (Refer Note No.33)	(0.54)	(0.10)
	(9.78)	5.30
Note No. 6 :- Long Term Provisions		
Provision for Gratuity (Refer Note No. 29)	8.30	6.31
	8.30	6.31
Note no. 7 :- Short Term Borrowings		
Secured Loan		
(a) Loan Repayable on Demand		
From Bank (Bank Overdraft) (secured by exclusive charge on current asset of the company and equitable mortgage on the Office premises of the Company)	504.92	487.83
(b)Unsecured Loan		
Inter Corporate deposits	109.25	-
	614.17	487.83
Note No. 8 :- Trade Payables		
For Hardware products and Services		
Dues to MSME	15.83	187.25
Other Payables (Refer Note No.30)	41.58	726.42
	57.41	913.67

Trade Payables ageing schedule: As at 31st March, 2024					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
MSME	15.83	-	-	-	15.83
Others	41.58	-	-	-	41.58
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March, 2023					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
MSME	52.82	56.72	77.71	-	187.25
Others	504.65	218.90	2.86	-	726.41
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-

Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 9 :- Other Current Liabilities		
Current maturities of long term debt		
Bank of Baroda Term loan: (Secured by way of hypothecation of vehicle MERCEDES - BENS GROUP GLS vlaued at Rs.144.75 Lakhs)	18.03	16.24
Bank of Baroda Term loan: (Secured by way of hypothecation of vehicle Maruti Suzuki -ERTIGA vlaued at Rs.14.26 Lakhs)	1.46	-
UnSecured Loan		
From Financial Institution (Refer Note No. 4)	19.14	22.27
Advance received from customers	64.76	131.47
Advance against Sale of Property	100.00	-
Other Payables (Includes Statutory Dues of Rs.165.30 Lakhs)	202.85	105.03
	406.24	275.01
Note No. 10 :- Short Term Provisions		
Provision For Employee Benefits	6.69	0.40
Interest on Loan Payable	0.65	-
	7.34	0.40

Notes to the financial statements for the year ended March 31, 2024

Note '11' property, Plant and Equipment

(Rs. In Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01/04/2023	Addition during the year	Deductions during the year	As at 31/03/2024	Total up to 01/04/2023	Excess depreciation charged in previous years	Provided for the year	Total up to 31/03/2024	Total as on 31/03/2024	Total as on 31/03/2023
Building	347.82			347.82	63.98	(1.01)	27.07	90.04	257.78	283.84
Office Equipments	15.51	8.74		24.25	6.59	(0.15)	5.15	11.60	12.65	8.92
Motor Vehicle	172.68	14.56		187.24	15.53	(0.42)	53.02	68.13	119.12	157.15
Furniture & Fixtures	52.13	9.33		61.46	7.76	(0.41)	13.93	21.29	40.17	44.37
Computers	24.52	7.89		32.40	14.32	(0.27)	8.65	22.71	9.69	10.19
TOTAL	612.66	40.51	-	653.18	108.19	(2.26)	107.83	213.76	439.42	504.48
AS on 31/3/23	392.89	219.77		612.66	57.19	-	51.00	108.19	504.48	

Globesecure Technologies Limited

Notes to the financial statements for the year ended 31st March 2024
CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Note No.12 :- Long-Term Loans and Advances		
Trade Advances (Refer Note No. 36)	954.36	826.16
	954.36	826.16
NOTE NO.13 :- Other Non-Current Assets		
(a) Security Deposits		
Security Deposits - BSNL	10.00	-
Deposit for Office Premises	10.41	9.10
Deposit to NSE	-	10.13
(b) Other Bank Balance		
Bank Guarantee	9.92	-
	30.33	19.23
Note No.14 :- Inventories		
Stock in hand	1,014.68	1,505.42
	1,014.68	1,505.42
Note No.15 :- Trade Receivables		
Unsecured, Considered Good		
Over six months from the due date	-	72.66
Others	392.62	200.84
	392.62	273.50

Trade Receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade receivables - considered good	392.62	-	-	-	-	392.62
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed trade receivables - considered good	200.84	39.04	-	33.62	-	273.50
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

Note No.16 :- Cash and Cash Equivalent		
Cash in Hand	19.32	6.55
Balances with Banks		
Current Account	9.35	16.71
	28.68	23.26

Globesecure Technologies Limited

Notes to the financial statements for the year ended 31st March 2024

CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Note No.17 :- Short Term Loans and Advances		
(a) Loans to Employees	-	74.26
(b) Balances with Revenue Authorities	47.54	194.18
(c) Advance Given to Suppliers	392.66	471.47
	440.21	739.91
Note No.18 :- Other Current Assets		
(a) Prepaid Expenses	167.19	2.34
(b) Accrued Interest on Fixed Deposit	0.25	-
	167.44	2.34

Globesecure Technologies Limited

Notes to and forming part of statement of Profit and Loss for the year ended March 31, 2024

CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<u>Note No. 19 :- Revenue From Operations</u>		
Sales		
Sales of IT and IT enabled services	2,388.54	2,582.97
	2,388.54	2,582.97
<u>Note No. 20 :- Other Income</u>		
Gains from Sale of shares and Securities	-	0.27
Interest on Fixed Deposits	0.28	-
Interest on Advances Given	97.18	-
Bad Debt Recovered	4.22	-
Amounts written back	10.82	-
Discount Received	0.45	1.31
	112.94	1.58
<u>Note No. 21 :- Purchase of Support Services, Licenses and hardwares</u>		
Purchase of License, hardware and support services	1,244.07	2,788.33
	1,244.07	2,788.33
<u>Note No. 22 :- Increase/(Decrease) in Stock</u>		
Closing Stock	1,014.68	1,505.42
Opening Stock	1,505.42	672.58
	490.74	(832.84)
<u>Note No. 23 :- Employee Benefits Expenses</u>		
Salary	180.50	141.44
Bonus Exp	8.13	4.21
Directors Remuneration	47.10	41.80
Staff Welfare	1.85	0.40
Gratuity	2.15	2.15
	239.73	190.00
<u>Note No. 24 :- Finance Cost</u>		
Interest on Term Loan	37.26	18.85
Interest on Late Payment of Loan	0.58	-
Bank OD Interest	58.10	47.25
Processing Charges Loan	4.18	4.88
Bank Charges	0.91	0.18
	101.03	71.16

Globesecure Technologies Limited

Notes to and forming part of statement of Profit and Loss for the year ended March 31, 2024

CIN L72200MH2016PLC272957

(Rs. In Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Note No. 25 :- Other Expenses		
Audit fees	5.95	3.00
Bad debts	-	3.01
Commission Paid	2.56	6.47
Donation	2.47	-
Directors Sitting fees	13.78	10.91
Electricity Expense	0.99	0.58
Food & Breverage	2.72	0.66
Insurance Charges	0.99	0.10
Membership Fees	0.12	0.03
Miscellaneous Expenses	1.89	2.07
Office Expense	1.50	0.90
Office Rent	19.58	12.15
Printing & Stationery	0.73	1.27
Professional Fees & Counsultancy Fees	61.91	32.41
Promotion Expense	1.57	2.42
Repairs & Maintenance	0.30	0.50
Rates and Taxes	44.43	13.97
Software Expenses	0.82	0.87
Telephone Expenses	0.54	0.22
Travelling Expense	9.52	4.90
	172.37	96.44

GLOBESEKURE TECHNOLOGIES LIMITED
Schedules Forming part of Balances Sheet as at 31st March, 2024

Note 1: Corporate Information:

The Company was incorporated on February 09, 2016. The Company is engaged in the business of IT Security products and related services.

Note 2: Significant Accounting Policies:

The significant accounting policies followed by the company are stated as below:

i. Basis of preparation of financial statements

The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company."

Pursuant to the provisions of section 2(40) of the Companies Act, 2013, the Company has presented a cash flow statement.

Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company.

ii. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

iii. Property, Plant and Equipments and Depreciation

Fixed assets are stated at Cost less Depreciation. Cost comprises of Purchase price and any attributable cost of bringing the assets to working condition for its intended use.

Depreciation on all assets is charged proportionately from the date of acquisition / installation on written down value basis at rates prescribed in Schedule III of the Companies Act, 2013.

iv. Impairment of Assets:-

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

v. Investments

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

vi. Revenue recognition:

Sale of Licenses and Hardware Components:

Sales of Licenses and Hardware Components are recognized, net of returns and trade discounts on transfer of significant risks and rewards of ownership to the customer.

Income from Support Services:

Revenue from support service is recognized pro-rata over the period of contract.

Unbilled Revenue:

Revenue recognized over and above the billings on a customer is classified as unbilled revenue. Unbilled Revenue is classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue is recognised when there is billing in excess of revenue. The billing schedules agreed with customers include periodic performance based payments.

vii. Inventories

Inventories are valued at the lower of Cost (Generally determined on FIFO Basis) and Net Realizable Value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

viii. Employee Benefits

Company's contribution to recognized provident fund is defined contribution plan and is charged to the Profit and Loss Account on accrual basis. There are no other obligations than the contribution payable to the fund.

Contribution to gratuity fund is defined benefit obligation and is provided for on basis of an actuarial valuation on projected accrued benefit method made at the end of each financial year.

ix. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign Currency denominated assets and liabilities at the balance sheet date is translated at the exchange rate prevailing on the date of balance sheet.

x. Earnings Per Share

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

xi. Accounting For Taxes on Income

Tax expense comprises of current and deferred tax. Provision for current tax is made, based on the tax payable under the Income-tax Act, 1961. Deferred tax assets and liabilities from timing differences between taxable income and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.

xii. Provision's, Contingent Liabilities and Contingent Assets

The Company recognizes as provisions, the liabilities being present obligation arising out of past events, the settlement of which is expected to result in an outflow of resources which can be measure only by using a substantial degree of estimation.

Contingent liabilities are disclosed by way of notes to the financial statements after careful evaluation by the management of the facts and the legal aspects of the matter involved.

Contingent assets are neither recognized nor disclosed.

xiii. Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

26. Contingent liabilities not provided for as on 31st March, 2024

Nature of the Statute	Amount (Rs. In lakhs)	Period to Which it Relates	Forum where the dispute is pending
Income Tax Act ,1961	998.77	AY 21-22	Appeal has been filed with CIT(A) against the order passed u/s.143(3) against the addition made of INR 998.77 lakhs.
Income Tax Act ,1961	16.81	AY 22-23	Appeal has been filed with CIT(A) against the order passed u/s.143(3) against the addition made of INR 16.81 lakhs.

- The Company has provided guarantee to Multi commodity exchange of India Ltd. of Rs.9.91 lakhs- in case company fails to provide support & service mentioned under the purchase order.

However in case company is unable to meet or fulfill the obligation ICICI bank will pay the amount to MCX on behalf of company.

The above bank guarantee is secured against fixed deposit created with ICICI bank.

27. There is no capital commitment outstanding at the end of current and previous year.

28. The Company came with an Initial Public Offer of equity shares on 23rd May, 2022 and closed on 25th May, 2022. The Initial Public Offer was for 34,92,000 equity shares of face value of Rs. 10 each at premium of Rs. 19 per share aggregating to INR 1012.68 lakhs. The shares of the Company were listed on the National Stock Exchange of India Limited, Emerge Platform on 02nd June, 2022.

29. The company does not allow accumulation of leaves and hence the Company has not obtained actuarial valuation report for leave encashment.

The particulars as required under the Accounting Standard-AS 15 of Employees Benefits are as under:

i. Defined Contribution Plan:

(Rs. in lakhs)

	For the year ended March 31,2024	For the year ended March 31,2023
Contribution to Employees Provident Fund	3.94	-

ii. Defined Benefit Plan:

Following are the principle Actuarial Assumptions used for determining defined benefit obligations towards gratuity as on the Balance Sheet date:

Particulars	For the year ended March 2024	For the year ended March 2023
Retirement Age	60 years	60 years
Future Salary Rise	7.00%	7.00%
Rate of Discount	7.25%	7.50%
Method used for measuring liabilities	Project unit Credit Method	Project unit Credit Method

Current and Non-Current Liability:

Particulars	For the year ended March 2024	For the year ended March 2023
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	55,532	40,229
Non-current Liability	8,30,052	6,30,581

30. Dues to Micro & Small Enterprises:

Sr.No	Particulars	As on 31st March 2024	As on 31st March 2023
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at the end of year.	74.37	187.25
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as to at year end.	-	-
3	Principal amount paid to suppliers registered under MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid other than under section 16 of MSMED Act, to supplier registered under the MSMED Act beyond the appointed day during the year.	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7	Further interest remaining due and payable for earlier years.	-	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authorities

31. Auditor's Remuneration:

(Rs. in lakhs)

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Statutory audit fees	4.20	3.00
Tax audit fees	1.00	0.75

32. Earnings per share:

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below:

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
Profit/(Loss) after Tax	101.13	165.73
Weighted no. of equity shares		
- Basic	91,08,349	85,40,779
- Diluted	91,08,349	85,40,779
Earnings per share		
- Basic	1.11	1.94
- Diluted	1.11	1.94

33. Deferred tax is on account of following:

(Rs. in lakhs)

Particulars	As on March 31, 2023	(Charge)/Credit during the year	As at March 31,2024
Depreciation	5.40	(14.63)	(9.24)
Provision for Gratuity	(0.10)	(0.44)	(0.54)
Net Deferred Tax	5.30	(15.07)	(9.78)

34. Value of Licence Imported and indigenous:

Description	Current Year		Previous Year	
	%	Value in INR	%	Value in INR
i) Licence				-
-Imported	-	Nil	-	Nil
-Indigenous	100%	Nil	100%	Nil
	100%	Nil	100%	Nil

35. Expenditure in foreign currency: Nil (Nil/- in FY 23-24)

36. The Company has given long term trade advances to Three parties for carrying out the Research & development activities for developing of new IT Security product and Company is hopeful of recovering more than advance given by making a sales in subsequent years from the developed product.

The Company has charged the interest of Rs. 73.61 lakhs due to delay in completing the above product which is shown under Note No. 20 of the financial statement.

The Company has also appointed the Technical valuer for conducting the feasibility of and marketability and value of the expected product as on March 31, 2024 to demonstrate no impairment is required for the advance given.

37. Earnings in Foreign Currency INR /- NIL

38. Related party Disclosers as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

*Related Parties and Relationship

A. Directors of the Company

- i. Ragavan Rajkumar
- ii. Sonam Ragavan
- iii. Ajay Kumar Verma (Retirement date :- 24/08/2023)
- iv. Sushilkumar Agarwal
- v. Gopala Ramaratnam
- vi. Asheesh Chatterjee

B. Key Management Personnel:

- i. Ragavan Rajkumar
- ii. Sonam Ragavan
- iii. Uttam Dhanesha (CFO) (Retirement date:- 31/03/2024)
- iv. Amit Das (CFO) (Appointment date :-01/04/2024)
- v. Heta Desai (Company Secretary)

C. Relatives of the Director/s – Sonam Ragavan – Wife of Ragavan Rajkumar

D. Transactions with Related Parties during the period

(Rs. in lakhs)

Type of Related Party	Description of the Nature	Party Name	FY 2023-24				FY 2022-23			
			Opening Balance	Volume of Transactions during	Received / Paid during the year	Closing Balance	Opening Balance	Volume of Transactions during	Received / (Paid) during the year	Closing Balance
Directors	Remuneration	Ragavan Rajkumar	-	36.00	(31.39)	4.61	(1.69)	32.69	(31.00)	-
		Sonam Ragavan	-	9.65	(8.92)	0.73	-	6.84	(6.84)	-
		Ajay kumar Verma	4.17	1.75	(5.92)	-	1.04	5.24	(2.11)	4.17
Directors	Director Sitting Fees & Meeting Expenses	Gopala ramaratnam	0.68	4.05	-	4.73	0.45	3.60	(3.37)	0.68
		Sushil Kumar Agrawal	3.77	4.05	(0.90)	6.92	4.05	9.22	(9.50)	3.77
		Asheesh chatterjee	1.13	4.05	-	5.18	0.90	1.80	(1.57)	1.13
Key Management Personnel	Salary	Uttam Dhanesha	2.48	6.00	(3.74)	4.74	2.48	6.00	(6.00)	2.48
		Heta Desai	-	8.32	(5.69)	2.63	-	6.50	(6.50)	-
Directors	Loan Taken	Ragavan Rajkumar	91.78	509.79	(408.85)	192.72	240.80	132.06	(281.08)	91.78
		Sonam Ragavan	3.72	1.70	(1.50)	3.92	13.80	1.20	(11.28)	3.72

39. Ratios analysis:

DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE						
	Particulars	Formula for Computation	Measures (in times / percentage)	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023	% Change [2023-2024]
A	Current Ratio	Current assets / Current liabilities	Times	1.88	1.52	24.12%
B	Debt Equity Ratio	Debt / Net worth	Times	0.42	0.34	23.74%
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Principal repayment of long term borrowings within one year)	Times	0.50	0.61	-19.12%
D	Return on Equity	Profit after tax / Net worth	Percentage	4.78%	8.23%	-41.89%
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	1.38	0.83	65.62%
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	7.17	2.81	154.93%
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	2.56	1.97	29.91%
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	2.49	2.98	-16.30%
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	4.23%	6.41%	-33.97%
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	10%	14%	-27.86%
K	Return on Investment (ROI)	Not Applicable	Percentage	-	-	

Notes	
1	Debt = Non-current borrowings + Current borrowings
2	Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated losses
3	Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in progress
4	Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material
5	Working Capital = Current assets - Current liabilities
6	EBIT = Earnings before Interest, tax and exceptional items
7	Capital employed = Total equity + Non-current borrowings

Disclosure of change in ratio by more than 25%		
Particulars	% Variance in ratio between 31 March 2024 and 31 March 2023	Reason for Variance
Return on Equity	-41.89%	Decline in profit due to increase in indirect cost
Inventory Turnover Ratio	65.62%	Due to reduction in Purchases and closing stock
Trade Receivable Turnover Ratio	154.93%	Due to reduction in average trade receivables
Trade Payable Turnover Ratio	29.91%	Due to reduction in average trade payables
Net Profit Ratio	-33.97%	Due to reduction in revenue from operation and increase in indirect cost.
Return on Capital Employed (ROCE)	-27.86%	Increase in long term borrowings and decrease in EBIT

40. Previous Year's figures have been regrouped /reclassified to conform to the current year's presentation, wherever necessary.

As per our report of even date attached
For Kumbhat & Co.
Chartered Accountants
 Firm Reg. No. : 001609S

For and on the behalf of the Board of Directors
Globesecure Technologies Limited

Gaurang C. Unadkat
Partner
 Membership No. 131708

Ragavan Rajkumar
Managing Director
 DIN: 02002480

Sonam Ragavan
Director
 DIN: 08789592

Amit Das
Chief Financial Officer

Heta Desai
Company Secretary

Place :- Mumbai
 Date :- May 15, 2024

Place :- Mumbai
 Date :- May 15, 2024

ACCOUNTING RATIOS AND CAPITALIZATION STATEMENT

ACCOUNTING RATIOS

The Following tables present certain Key Accounting Ratios computed on the basis of amounts derived from the Audited for the Financial year ended March 31, 2022, March 31, 2023 and March 31, 2024:

Particulars	Audited Financial for the year ended March 31, 2024	Audited Financial for the year ended March 31, 2023	Audited Financial for the year ended March 31, 2022
Earnings Per Share (EPS) (Basic and Diluted) (₹)	1.11	1.94	1.89
Return on Net Worth (%)	4.78%	8.23%	10.14%
Net Asset Value per Share (₹)	23.23	22.12	17.55
EBITDA (₹ in Lakhs)	354.56	342.62	263.87
EBITDA (%)	14.17%	13.26%	9.92%

Formula:

- 1) **Earnings Per Share (₹):** Net Profit after tax for the year attributable to Equity Shareholders divided by weighted average no of equity shares outstanding during the period.
- 2) **Return on Net Worth (%):** Net Profit after tax for the year attributable to Equity Shareholders divided by Net Worth at the end of the period multiplied by 100.
- 3) **Net Asset Value Per Share (₹):** Net Assets as at the year-end/ period end divided by total number of equity shares outstanding at the end of the period.
- 4) **EBITDA (₹ in lakhs):** Profit before tax plus finance costs plus depreciation and amortization expense.
- 5) **EBITDA (%):** $[EBITDA / (Total Revenue)] * 100$

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

You should read the following discussion and analysis of our financial condition and results of operations together with our Audited Financial Results for the year ended March 31, 2024 and Audited Financial Statement as of and for the Financial Year ended March 31, 2023 included in this Draft Letter of Offer. Our Audited Financial Results for the year ended March 31, 2024 and Audited Financials Statement for the Financial Year 2023 are prepared in accordance with the provisions under the Companies Act, 2013 and Ind AS, including the notes and schedules thereto, included in the section titled "Financial Information" on page 78.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" on pages 22 and 18 respectively.

Unless otherwise specified in this section or unless the context otherwise requires, the following discussion is based on our Audited Financial Results for the year ended March 31, 2024 and Audited Financial Statement for the year ended March 31, 2023 and financial information for the year ended March 31, 2022 which is derived from the comparatives of the Audited Financial Statement for the year ended March 31, 2023 and in relevant parts, on internally prepared statistical information available to our management and publicly available information.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the twelve (12) month period ended March 31 of that fiscal year. Unless otherwise specified, all amounts in this section are stated on a consolidated basis. In this section, any references to the "Company", "we", "us" and "our" is refer to Amal Limited on a consolidated basis, as applicable in the relevant fiscal period, unless otherwise stated.

OVERVIEW OF OUR BUSINESS

Our Company was originally incorporated as "Globesecure Technologies Private Limited" on February 9, 2016, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, pursuant to shareholders resolution passed at the Extra-Ordinary General Meeting of our Company held on June 27, 2019, our Company was converted into a public limited company and consequently, the name of our Company was changed to "Globesecure Technologies Limited" and a Fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated August 2, 2019 was issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number of our Company is L72200MH2016PLC272957.

Globesecure Technologies is a digital transformation company in India with a focus on cyber security. We have executed several cyber security transformation projects, infrastructure, and digital transformation projects for various institutions and also provide similar independent services to our clients. Through our wide range of offerings across multiple verticals, we possess capabilities spanning the digital lifecycle of services ranging from consultation, architecture, solution design, and implementation, to monitoring and providing managed services.

We classify our business into the following lines of business: (i) Cyber Security, (ii) Integrated Enterprise Solutions, and (iii) Managed Services.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

To our knowledge and belief, no circumstances other than those disclosed in this Draft letter of offer have arisen since the date of the last financial statements contained in this Draft letter of offer which materially affect or is likely to affect, the trading and profitability of our company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 22. The following are certain factors that had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
- Limited geographical reach;
- Dependent on few customers;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- The effect of wage pressures, hiring patterns and the time required to train and productively utilize new employees;
- Realization of contingent liabilities;
- Occurrence of environmental problems and uninsured losses;
- Increased competition in industries and sector in which we operate;
- Factors affecting the industry in which we operate;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our failure to keep pace with rapid changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to manage our working capital requirements;
- Our dependence on major customers, and a loss or significant decrease in business from them;
- Our ability to obtain, maintain or renew the statutory and regulatory licenses, permits and approvals required for our business and operations;
- Our ability to accurately forecast the demand for our products, and manage our inventory;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Our ability to manage risks that arise from these factors;

Conflicts of interest with affiliated companies, the promoter group and other related parties;

SIGNIFICANT ACCOUNTING POLICIES

For disclosure of our Significant Accounting policies as at and for the year ended March 31, 2023, as required by Ind AS and other applicable standards, see section titled “*Financial Information*” on page 78.

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter “Financial Information” on page 78 of this Draft Letter of Offer, there has been no change in the accounting policies during the Financial Year March 31, 2023 and March 31, 2024.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

There are no reservations or qualifications or adverse remarks in the auditors’ report for Financial Year March 31, 2023.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

1. Income

Our total income comprises (i) revenue from operations, and (ii) other income.

- **Revenue from Operations:** Revenue from Operations comprises of (i) Revenue from sale of products; (ii) Revenue from sale of services.
 - **Other income-** Other income primarily comprises of interest income, Other Non-Operating Income.
2. **Expenses:** Our total expenses is constituted (i) Purchase of traded goods, (ii) Change in Inventories (iii) Employee Benefit Expense (iv) Finance Cost (v) Depreciation & Amortisation Cost and (vi) Other Expenses
- Purchase of Support services, Licenses and Hardwares: Purchase of Stock-in-Trade comprises of the cost incurred to purchase the support services, licenses and hardwares which is traded and used in providing the service by our company.
 - Changes in inventories: Changes in inventories of stock-in-trade comprises of difference in closing balance vis-a-vis opening balance of stock in trade.
 - Employee Benefit Expenses: Employee benefit expense consists of salaries, wages, gratuity, bonus, commission, contribution to provident fund & other funds and staff welfare & training expenses.
 - Depreciation and amortization expenses: It consist of depreciation on property, plant & equipment, vehicles and computers.
 - Finance Cost: Finance cost comprises of interest expense and other finance costs. Interest expense, generally, comprises interest on secured loans and unsecured loan. Other finance costs consist of Bank OD interest, Loan processing charges & Bank charges
 - Other expenses: Other expense mainly comprises of professional fees, office expenses, commission paid, rates and taxes, bad debts, travelling expenses, insurance charges, brokerage charges, electricity expense, audit fees, etc.

SUMMARY OF THE RESULTS OF OPERATIONS

The following discussion on the financial operations and performance should be read in conjunction with the Consolidated financial results of the company.

Particulars	For the year ended March 31, 2024	% of Total Revenue	For the year ended March 31, 2023	% of Total Revenue	For the year ended March 31, 2022	% of Total Revenue
Revenue from operation	2,388.54	95.49%	2,582.97	99.94%	2,637.08	99.11%
Other income	112.94	4.51%	1.58	0.06%	23.78	0.89%
Total Revenue	2,501.48	100.00%	2,584.55	100.00%	2,660.86	100.00%
Expenses						
Purchase of Support Services, Licenses and Hardware	1,244.07	49.73%	2,788.07	107.88%	2,409.47	90.55%
(Increase)/Decrease in Stock	490.74	19.62%	(832.84)	(32.22)%	(188.43)	7.08%
Employee benefits expense	239.73	9.58%	190.00	7.35%	112.63	4.23%
Finance costs	101.03	4.04%	71.16	2.75%	72.42	2.72%
Depreciation and amortization expenses	105.57	4.22%	51	1.97%	38.80	1.46%

Particulars	For the year ended March 31, 2024	% of Total Revenue	For the year ended March 31, 2023	% of Total Revenue	For the year ended March 31, 2022	% of Total Revenue
Other expenses	172.37	6.89%	96.44	3.73%	63.31	2.38%
Total Expenses	2,353.52	94.09%	2,364.08	91.47%	2,508.20	94.26%
Profit before tax extraordinary item	147.96	5.91%	220.46	8.53%	152.65	5.74%
Extraordinary item	-	0.00%	-	0.00%	-	0.00%
Profit / (Loss) before Tax	147.96	5.91%	220.46	8.53%	152.65	5.74%
Tax Expenses						
Current tax	61.90	2.47%	63.00	2.44%	48.00	1.80%
Deferred tax charge/ (credit)	(15.07)	(0.60)%	1.04	0.06%	4.72	0.18%
Excess/(Short) IT Provision of earlier years	-	-	9.30	0.36%	-	
Net Profit after tax	101.13	4.04%	165.73	6.41%	99.93	3.76%

COMPARISON OF RESULTS OF OPERATIONS

Financial Year 2024 compared to Financial Year 2023

Total Income

Total Income decreased from ₹ 2,584.55 Lacs in year ended March 31, 2023 to ₹ 2,501.48 Lacs in year ended March 31, 2024 with a resultant decrease of 3.21% in year ended March 31, 2024 mainly due to decrease in the revenue from operations and other operating revenues and other income.

Revenue from Operations

Revenue from Operations decreased from ₹ 2,582.97 Lacs in year ended March 31, 2023 to ₹ 2,388.54 Lacs in year ended March 31, 2024 with a resultant decrease of 7.53% in year ended March 31, 2024 mainly due to decrease in the revenue from sale of IT and IT enabled services.

Other Income

Other Income increased from ₹ 1.58 Lacs in year ended March 31, 2023 to ₹ 112.94 Lacs in year ended March 31, 2024 with a resultant increase of 7,063.57% in year ended March 31, 2024 due to significant increase in Interest on advances given, bad debts recovered and amounts writer back.

Total Expenses

Total Expenses decreased from ₹2,364.08 Lacs in year ended March 31, 2023 to ₹2,353.52 Lacs in year ended March 31, 2024 with a resultant decrease of 0.45% in year ended March 31, 2024.

Total expenditure comprises of:

Purchase of Support Services, Licenses and Hardware

Purchase of Support Services, Licenses and Hardware decreased from ₹2,788.33 Lacs in year ended March 31, 2023 to ₹1,244.07 Lacs in year ended March 31, 2024 with a resultant decrease of 55.38% in year ended March 31, 2024 due to

decrease in purchases of license, hardware and support services during the year and increase in the closing stock of raw materials for FY 2023.

Increase/Decrease in Stock

Changes in inventories increased from ₹(832.84) Lacs in year ended March 31, 2023 to 490.74 Lacs in year ended March 31, 2024 with a resultant increase of 158.92% in year ended March 31, 2024.

Employee benefit Expenses.

Employee Benefit Expenses increased from ₹190.00 Lacs in year ended March 31, 2023 to ₹239.73 Lacs in year ended March 31, 2024 with a resultant increase of 26.18% in year ended March 31, 2024 mainly due to increase in the Directors Remuneration and salaries and wages including bonus.

Finance Cost

Finance cost increased from ₹71.16 Lacs in year ended March 31, 2023 to ₹101.03 Lacs in year ended March 31, 2024 with a resultant increase of 41.98% in year ended March 31, 2024 due to increase in the interest cost and bank charges.

Depreciation & amortization Expenses

Depreciation and amortization increased from ₹51.00 Lacs in year ended March 31, 2023 to ₹105.57 Lacs in year ended March 31, 2024 with a resultant increase of 107% in year ended March 31, 2024 due to major increase in the depreciation of motor vehicle and minor increase in office equipments, computers and furniture and fixtures.

Other Expenses

Other expenses increased from ₹96.44 Lacs in year ended March 31, 2023 to ₹172.37 Lacs in year ended March 31, 2024 with a resultant increase of 78.73% in year ended March 31, 2024 primarily due to major increase in Professional fees and consultancy fees of ₹ 29.50 lacs and rates & taxes of ₹ 30.44 Lacs. Remaining increase can be attributed to Audit fees, director sitting fees, food & beverage, office rent, travelling expense, etc..

Profit/ (Loss) before tax

Profit before tax decreased from ₹220.46 Lacs in year ended March 31, 2023 to ₹147.96 Lacs in year ended March 31, 2024 with a resultant decrease of 32.89% in year ended March 31, 2024.

Profit for the year

Net Profit after tax decreased from ₹165.73 Lacs in year ended March 31, 2023 to ₹101.13 Lacs in year ended March 31, 2024 with a resultant decrease of 38.97% in year ended March 31, 2024.

Financial Year 2024 compared to Financial Year 2023

Total Income

Total Income decreased from ₹ 2,660.86 Lacs in year ended March 31, 2022 to ₹ 2,584.55 Lacs in year ended March 31, 2023 with a resultant decrease of 2.87% in year ended March 31, 2023 mainly due to decrease in the revenue from operations and other income.

Revenue from Operations

Revenue from Operations decreased from ₹ 2,637.08 Lacs in year ended March 31, 2022 to ₹ 2,582.97 Lacs in year ended March 31, 2023 with a resultant decrease of 2.05% in year ended March 31, 2023 mainly due to decrease in the revenue from sale of IT and IT enabled services.

Other Income

Other Income decreased from ₹ 23.78 Lacs in year ended March 31, 2022 to ₹ 1.58 Lacs in year ended March 31, 2023 with a resultant decrease of 93.36% in year ended March 31, 2023 due to significant increase in Interest on IT Refund and amounts writer back.

Total Expenses

Total Expenses decreased from ₹ 2,508.20 Lacs in year ended March 31, 2022 to ₹ 2,364.08 Lacs in year ended March 31, 2023 with a resultant decrease of 5.75% in year ended March 31, 2023.

Total expenditure comprises of:

Purchase of Support Services, Licenses and Hardware

Purchase of Support Services, Licenses and Hardware increased from ₹ 2,409.47 Lacs in year ended March 31, 2022 to ₹ 2,788.33 Lacs in year ended March 31, 2023 with a resultant increase of 15.72% in year ended March 31, 2023 due to increase in purchases of license, hardware and support services during the year.

Increase/Decrease in Stock

Changes in inventories increased from ₹ (188.43) Lacs in year ended March 31, 2022 to (832.84) Lacs in year ended March 31, 2023 with a resultant increase of 341.99% in year ended March 31, 2023.

Employee benefit Expenses.

Employee Benefit Expenses increased from ₹ 112.63 Lacs in year ended March 31, 2022 to ₹ 190.00 Lacs in year ended March 31, 2023 with a resultant increase of 68.69% in year ended March 31, 2023 mainly due to increase in the Directors Remuneration and salaries and wages including bonus.

Finance Cost

Finance cost decreased from ₹ 72.42 Lacs in year ended March 31, 2022 to ₹ 71.16 Lacs in year ended March 31, 2023 with a resultant decrease of 1.74% in year ended March 31, 2023 due to decrease in the interest cost.

Depreciation & amortization Expenses

Depreciation and amortization increased from ₹ 38.80 Lacs in year ended March 31, 2022 to ₹ 51.00 Lacs in year ended March 31, 2023 with a resultant increase of 31.44% in year ended March 31, 2023 due to major increase in the depreciation of computers and furniture and fixtures.

Other Expenses

Other expenses increased from ₹ 63.31 Lacs in year ended March 31, 2022 to ₹ 96.44 Lacs in year ended March 31, 2023 with a resultant increase of 52.33% in year ended March 31, 2023 primarily due to major increase in commission paid, Professional fees and consultancy fees, director sitting fees, office rent, travelling expense, etc.

Profit/ (Loss) before tax

Profit before tax increased from ₹ 152.65 Lacs in year ended March 31, 2022 to ₹ 220.46 Lacs in year ended March 31, 2023 with a resultant increase of 44.42% % in year ended March 31, 2023.

Profit for the year

Net Profit after tax decreased from ₹ 99.93 Lacs in year ended March 31, 2022 to ₹ 165.73 Lacs in year ended March 31, 2023 with a resultant increase of 65.85% in year ended March 31, 2023.

SECTION VIII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: if (a) the aggregate amount involved in such individual litigation exceeds 5% of the profit after tax of our Company as per the last audited financial statements or (b) any such litigation wherein the monetary liability is not quantifiable but which is expected to have an adverse impact on the operations of our Company ("Materiality Threshold").

Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.

Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company is impleaded as defendant in litigation proceedings before any judicial forum.

A. LITIGATION INVOLVING OUR COMPANY

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving moral turpitude or criminal liability on the part of our Company

NIL

B. Litigation involving economic offences where proceedings have been initiated against our Company

NIL

C. Proceedings involving economic offences initiated against our Company

NIL

D. Litigation involving an amount above the Materiality Threshold

NIL

E. Litigation involving tax proceedings by or against our Company

1. For the Assessment Year 2021-22, the Company is in receipt of notice of demand dated December 27, 2022 bearing no. ITBA/AST/S/156/2022-23/1048275958(1) under Section 156 of the Income Tax Act, 1961 wherein a sum of ₹ 998.78 Lakhs has been ascertained to be due and payable by the Company. A computation sheet has also been provided to the Company to display the determination of the said amounts. The Company has further received two notice of penalty dated December 27, 2022 bearing no. ITBA/PNL/S/270A/2022-23/1048276047(1) and ITBA/PNL/S/271AAC(1)/2022-23/1048276048(1) respectively under Section 270A and 271AAC(1) respectively, wherein the Company has been called upon to show cause as to why an order imposing penalty should not be passed under the Income Tax Act, 1961. Subsequently, an interest of ₹ 288 Lakhs was levied in addition to the said demand. The case is pending as the Company has filed an Appeal challenging the said demand.

2. For the Assessment Year 2022-23, the Company is in receipt of notice of demand dated March 28, 2024 bearing no. ITBA/AST/S/156/2023-24/1063539218(1) under Section 156 of the Income Tax Act, 1961 wherein a sum of ₹ 16.80 Lakhs has been ascertained to be due and payable by the Company. A computation sheet has also been provided to the Company to display the determination of the said amounts. The Company has further received two notice of penalty dated March 28, 2024 bearing no. ITBA/PNL/S/270A/2023-24/1063539017(1) under Section 270A, wherein the Company has been called upon to show cause as to why an order imposing penalty should not be passed under the Income Tax Act, 1961. Against the said demand notice the Company has filed an Appeal before the Joint Commissioner (Appeals).

F. Litigation civil or criminal proceedings by the Company:

Nil

G. Litigation civil or criminal proceedings against the Company:

Nil

H. Litigation civil or criminal proceedings by Group Companies or Subsidiaries:

Nil

I. Litigation civil or criminal proceedings against the Group Companies or Subsidiaries:

Nil

B. LITIGATION INVOLVING OUR PROMOTERS

Nil

C. F. LITIGATIONS INVOLVING OUR SUBSIDIARIES

Nil

MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

GOVERNMENT AND OTHER APPROVALS

Our Company is required to comply with the provisions of various laws and regulations and obtain approvals, registrations, permits and licenses under them for conducting our operations. The requirement for approvals may vary based on factors such as the activity being carried out and the legal requirements in the jurisdiction in which we are operating. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Our Company has obtained all material consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time.

As on the date of this Draft Letter of Offer, there are no pending material approvals required for our Company, to conduct our existing business and operations.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with the following:

- 1) Resolution passed by our Board of Directors under Sections 62(1)(a) and other provision of the Companies Act, at their meeting held on March 07, 2024.
- 2) In-principle approval from NSE Emerge pursuant to the letter dated [●].

Our Rights Issue Committee in its meeting held on [●] has resolved to issue Equity Shares to the Eligible Equity Shareholders, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), in the ratio of [●] Equity Shares for every [●] Equity Share as held on the Record Date. The Issue Price of ₹ [●] per Equity Share has been arrived at, prior to determination of the Record Date.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. Our Company has been allotted the ISIN [●] both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled “Terms of the Issue” beginning on page 97 of this Draft Letter of Offer.

Prohibition by SEBI and various agencies/ other Regulatory Bodies

Our Company, Promoters, members of Promoter Group and directors, have not been or are not prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the companies with which our Promoter or our directors are associated as promoter or directors have been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Company, Promoter or director have been identified as willful Defaulters by the RBI. None of our Directors are associated with the securities market in any manner. Neither our Promoter nor our directors are declared as Fugitive Economic Offenders.

None of our Directors hold current or have held directorship(s) in the last five years in a listed company whose shares have been or were suspended from trading on BSE or the NSE or in a listed company which has been / was delisted from any stock exchange.

None of our Directors hold or have held directorships in the last ten (10) years in a listed company whose shares have been delisted from any recognised stock exchange in India during the term of their directorship in such company.

We confirm that there are no proceedings initiated by SEBI, Stock Exchange or ROC, etc. on our Company/Promoters/Directors/Group Companies.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the EMERGE Platform of National Stock Exchange (“NSE EMERGE”). Our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to this Issue.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with requirements of Regulation 61 and 62 of the SEBI ICDR Regulations to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to stock exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue.

Applicability of the SEBI ICDR Regulations

The present Issue being of less than ₹5,000 Lakhs, Our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in.

Compliance with Part B of Schedule VI of the SEBI ICDR Regulations:

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

- 1) Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the NSE;
- 2) The reports, statements and information referred to above are available on the website of NSE;
- 3) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

Disclaimer Clause of SEBI

This Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is not exceeding ₹ 5,000 Lakhs.

Disclaimer from our Company

Our Company accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisement or any other material issued by or at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

We shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

Applicants will be required to confirm and will be deemed to have represented to our Company and its respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and that they shall not issue, sell, pledge or transfer their Rights Entitlement or Rights Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and are relying on independent advice/ evaluation as to their ability and quantum of investment in this Issue. Our Company and its respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Investor on whether such Investor is eligible to acquire any Rights Equity Shares.

Cautions

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, only.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of this Issue is NSE.

Disclaimer Clause of NSE

As required, a copy of the Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as intimated by the NSE to us, post scrutiny of the Draft Letter of Offer, will be included in the Letter of Offer prior to filing with the Stock Exchange.

Consents

Consents in writing of (a) each of our Directors, Legal Advisor, Registrar to the Issue, Statutory Auditor, have been obtained, and such consents have not been withdrawn up to the date of the Letter of Offer; of (b) Banker(s) to the Issue will be obtained up to the date of the Letter of Offer.

Expert

Our Company has received written consent dated May 15, 2024, from the Statutory Auditors, M/s Kumbhat & Co., Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated May 26, 2023 and September 02, 2022 on our Financial Statement for the financial years ended March 31, 2023 and March 31, 2022; and (ii) the statement of tax benefits dated May 15, 2024, included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Except as stated above, our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

The Board Meeting held on October 01, 2021 has approved the issue of 7,00,000 fully paid up Equity shares of face Value of ₹. 10/ each at a Premium of ₹. 13/- on Rights basis to the existing shareholders. The Board in their meeting held on October 21, 2021 had allotted 6,16,349 Equity Shares on Rights basis, out of which 6,04,659 Equity Shares was allotted towards the conversion of loan of Mr. Ragavan Rajkumar, an existing shareholder, for which the Company has taken approval in their Extra-ordinary General Meeting held on September 08, 2021, and balance 11,690 Equity Shares was subscribed by the existing shareholders.

Consequently, our Company has made public issues during the five years immediately preceding the date of this Draft Letter of Offer as disclosed below:

Information	Details
Year of issue	May 17, 2022
Type of issue (Public/Rights)	Public Issue (100% Fixed Price Issue)
Amount of issue	₹. 1012.68 Lakh
Issue price	₹. 29/- Per Equity Share
Date of closure of issue	May 25, 2022
Date of allotment and credit of securities to dematerialized account of investors	May 30, 2022
Date of completion of the project, where object of the issue was financing the project	Not Applicable
Rate of dividend paid	NIL

Apart from this, our Company has not undertaken any public or rights issue in the preceding five years.

Performance vis-à-vis objects – Last issue of listed Subsidiaries

Our Company does not have any listed Subsidiary as on the date of this Draft Letter of Offer.

Selling Restrictions

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

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form only to email addresses of such Eligible Equity Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form, shall not be sent the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchanges.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of the Letter of Offer /Abridged Letter of Offer and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or its respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application

Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

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

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

The contents of the Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, our Company or its respective affiliates are not making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

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

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

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

We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form 141 to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable

laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

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

Eligible Investors

The rights or Rights Equity Shares are being offered and sold only to persons who are outside the United States and are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offer and sales occur.

Listing

The existing Equity Shares are listed on NSE Emerge. We have made an application to NSE for obtaining in-principle approval in respect of the Rights Equity Shares. We will apply to NSE for listing and trading of the Rights Equity Shares.

If the permission to deal in and an official quotation of the securities is not granted by the Stock Exchange on the expiry of 15 days from the Issue Closing Date, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

We will issue and dispatch Allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the Allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date.

If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable law.

Filing

This Draft Letter of Offer is being filed with the SME platform of NSE as per the provisions of the SEBI ICDR Regulations, Further, in terms of SEBI ICDR Regulations, our Company shall file the copy of the Letter of Offer with the SEBI at its office located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, for the purpose of their information and dissemination on its website.

Issue Related Expenses

The Issue related expenses consist of fees payable to Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchanges. Our Company will need approximately ₹ [●] Lakhs towards these expenses, a break-up of the same is as follows:

(₹ in Lakhs)

Activity	Amount* ^(₹In Lakhs)	% of Total Expenses	As a % of Issue Size#
Fees of the RTA, and legal advisor, other professional service providers	[●]	[●]	[●]
Fee payable to regulators, including depositories, Stock Exchanges and SEBI	[●]	[●]	[●]
Advertising, marketing expenses, shareholder outreach, etc.	[●]	[●]	[●]

Activity	Amount* ^(₹In Lakhs)	% of Total Expenses	As a % of Issue Size#
Statutory and other Miscellaneous Expenses	[•]	[•]	[•]
Total estimated issue expenses**^	[•]	100.00	[•]

* Amount will be finalized at the time of filing of the Letter of Offer and determination of Issue Price and other details.

** Subject to finalization of the Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

^ Excluding taxes

Assuming full subscription

Investor Grievances and Redressal System

We have adequate arrangements for redressal of investor complaints as well as a well-arranged correspondence system developed for letters of routine nature. The share transfer and dematerialization for our Company is being handled by the Registrar and Share Transfer Agent, Skyline Financial Services Private Limited. The Redressal norm for response time for all correspondence including shareholder's complaints is within 7 (seven) to 10 (ten) days.

The Stakeholders' Relationship Committee consists of Mr. Gopala Ramaratnam, as Chairman and Mr. Sushilkumar Agarwal and Mr. Asheesh Chatterjee, as members of the said committee. All Investor Grievances received by our Company have been handled by the Registrar and Share Transfer agent in consultation with the Compliance Officer.

Investor grievances arising out of this Issue

Our Company's Investor Grievances arising out of the Issue will be handled by Skyline Financial Services Private Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue giving full details such as Folio No, name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the compliance officer and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Additionally, we have been registered with the SEBI Complaints Redress System ("SCORES") as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 03, 2011. 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

Investors may contact the Registrar for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs(in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), email address of the sole/ first holder, folio

number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “Terms of the Issue” on page 97. The contact details of the Registrar to the Issue are as follows:

REGISTRAR TO THE ISSUE

Skyline Financial Services Private Limited

D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

Contact Person: Mr. Anuj Rana

Tel No.: +011-40450193-197;**Fax No:** +011-26812683

E-Mail Id: ipo@skylinerta.com

Investor Grievance E-Mail Id: grievance@skylinerta.com

Website: www.skylinerta.com

The contact details of the Company Secretary are as follows:

Company Secretary and Compliance Officer:

Ms. Heta Desai

C-321, 215 Atrium, M.V. Road Near Courtyard Marriott Hotel, Andheri -East Mumbai - 400093, Maharashtra, India.

Telephone: +91-22- 4978 9686

Website: www.globesecure.in

Email id: secretarial@globesecure.in

Status of outstanding investor complaints

As on the date of the DLOF, there were nil outstanding investor complaints.

Changes in Statutory Auditors during the last three years

There has been no change in the statutory auditors in the last 3 years.

Minimum Subscription

The objects of the Issue involve financing other than the financing of capital expenditure for a project. Further, our Promoters and Promoter Group vide letter dated May 15, 2024 have undertaken that they will subscribe fully to the extent of their rights entitlement and that they shall not renounce their rights (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Accordingly, minimum subscription criteria are not applicable to the Issue.

SECTION IX – OFFERING INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up in accordance with instructions provided therein and this Draft Letter of Offer and Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section. Depending on the Issue opening date and applicability of the Circular and any further amendments or clarifications thereto, suitable modifications will be made in the Letter of Offer in this regard.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 (“SEBI – Rights Issue Circular”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility. As per the said circular, in case the physical shareholders who have not been able to open a demat account or are unable to communicate their demat details, in terms of clause 1.3.4 of the SEBI – Rights Issue Circular, to the Company or Registrar to the Issue, for credit of REs within specified time. Investors are requested to note that application in this Issue can only be made through ASBA.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1) Dispatch and availability of Issue materials:

In accordance with the SEBI ICDR Regulations, our Company will send through email or registered post or speed post, the Abridged Letter of Offer, the Application Form and other applicable Issue material to the email addresses or registered address of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and in case such Eligible Equity Shareholders have not registered their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. This Draft Letter of Offer will be provided to those who make a request in this regard.

Further, this Draft Letter of Offer and Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have registered their e-mail address, the Draft Letter of Offer and Letter of Offer will be sent only to their registered e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Draft Letter of Offer and Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of our Company at www.globesecure.in; the Registrar to the Issue at

<https://www.skylinerta.com>, the Stock Exchange at www.nseindia.com and to update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit <https://www.skylinerta.com>.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar i.e. <https://www.skylinerta.com> by entering their DP ID and Client ID or Folio Number and PAN (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company i.e. www.globesecure.in.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction outside India, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

2) Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process or the (instituted only for resident Shareholders in this Issue, in the event the Shareholders are not able to utilize the ASBA facility for making an Application despite their best efforts). Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see "Procedure for Application through the ASBA Process".

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account.

In accordance with the SEBI Rights Issue Circular, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Equity Shares may also apply in this Issue during the Issue Period.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Shareholders may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. The Eligible Equity Shareholders who have not received the Application Form can download the Form available at the websites of the Registrar, Stock Exchanges and the Company, and submit the filled Form at Designated Branch of the SCSB.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/ electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected.

ASBA facility: Investors shall submit the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Shareholders applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, see "Procedure for Application through the ASBA Process".

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

3) Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholder:

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. <https://www.skylinerta.com>) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date). The link for the same shall also be available on the website of our Company (i.e. www.globesecue.in).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on by sending a request letter with signature of all shareholders alongwith self attested copy of Pan Card, copy of Aadhar Card/ Driving Licence/ voter id/ passport, copy of any one share certificate and copy of client master to the Registrar at grievance@skylinerta.com. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings or (f) Non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e. by [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. <https://www.skylinerta.com>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., <https://www.skylinerta.com>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

4) Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner”.

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Basis for This Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialized form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialized form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar i.e. <https://www.skylinerta.com> by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company i.e. www.gloebesecure.in.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialized form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar i.e. <https://www.skylinerta.com>. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer and the Application Form and other applicable Issue materials only to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar at <https://www.skylinerta.com>, our Company through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re- distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹10.00.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share).

The Issue Price has been decided prior to the determination of the Record Date.

Rights Entitlement Ratio

The Rights Securities are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat accounts either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, see “Procedure for Renunciation of Rights Entitlements”.

The Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Credit of Rights Entitlements in Dematerialized Account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date i.e., by [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an

application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after entering in their respective details along with other security control measures implemented thereat.

Trading of the Rights Entitlements

In accordance with the SEBI Rights Issue Circular, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On-Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e. from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see “Procedure for Renunciation of Rights Entitlements – On Market Renunciation” and “Procedure for Renunciation of Rights Entitlements – Off Market Renunciation”.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Terms of Payment

The entire amount of the Issue Price of ₹ [●] per Rights Equity Share shall be payable at the time of Application.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed within such period as may be prescribed. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Fractional Entitlements

The Rights Securities are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of Two Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Securities over and above their Rights Entitlements, if any, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Securities. Such Eligible Equity Shareholders are entitled to apply for additional Rights Securities and will be given preference in the Allotment of one Rights Security, if such Eligible Equity Shareholders apply for additional Rights Securities, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favor of third parties.

Credit Rating

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank *pari-passu* with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

Listing and Trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the NSE through letter dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The Rights Securities shall be listed and admitted for trading on the Stock Exchange under separate ISINs for Rights Equity Shares. The procedures for listing and trading of Rights Securities shall be completed within seven Working Days from the date of finalization of the Basis of Allotment.

The existing Equity Shares are listed and traded on NSE bearing Scrip Symbol 'GSTL' under ISIN INE00WS01056. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within eight days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by Our Promoter and Our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see “Capital Structure-Subscription to this Issue by our Promoter and Promoter Group”.

Rights of Holders of Rights Equity Shares of Our Company

Subject to applicable laws, Rights Equity Shareholders shall have the following rights in proportion to amount paid-up on the Rights Equity Shares:

- a) The right to receive dividend, if declared;
- b) The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- c) The right to receive surplus on liquidation;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed under “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and treatment of such Rights Equity Shares for non- receipt of demat account details in a timely manner”; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialized mode is 1 (one) Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialized form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Draft Letter of Offer and the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Draft Letter of Offer and Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then this Draft Letter of Offer and the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated). This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 04, 2018 read with Foreign Exchange (Non-Debt Instruments) Regulations, 2019, issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favor of a person named by them; or (iii) apply for the shares renounced in their favor. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at grievance@skylinerta.com.

The Abridged Letter of Offer, the Application Form and other applicable Issue materials shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at <https://www.skylinerta.com> or grievance@skylinerta.com.

PROCEDURE FOR APPLICATION

How to Apply?

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form”.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company. The Application Form along with the Abridged Letter of Offer and other applicable Issue material shall be sent through email and/or speed post/registered post/courier at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through to email address if they have provided an Indian address to our Company.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://www.skylinerta.com>. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of our Company at www.globesecure.in; the Registrar at <https://www.skylinerta.com>; and the Stock Exchange at www.globesecure.in.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar i.e. <https://www.skylinerta.com> by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company i.e. www.globesecure.in.

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “Grounds for Technical Rejection”. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Application on Plain Paper under ASBA process”. Options available to the Eligible Equity Shareholders.

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholders are entitled.

- a) If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:
- b) Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- c) Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- d) Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- e) Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- f) Renounce its Rights Entitlements in full.

In accordance with the SEBI Rights Issue Circular, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders

holding Equity Shares in Physical Form and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner”.

Procedure for Application through the ASBA Process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section “Application on Plain Paper under ASBA process”.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange.

Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section “Basis of Allotment”.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges or (b) through an off- market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On-Market Renunciation shall take place only during the Renunciation Period for On-Market Renunciation, i.e. from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On-Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on ‘T+2 rolling settlement basis’ where ‘T’ refers to the date of trading. The transactions

will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Application on Plain Paper under ASBA Process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being **Globesecure Technologies Limited**;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialized form;

6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of ₹ [●] per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from the RBI, where a successful Application will result in the aggregate shareholding or total voting rights of the Eligible Equity Shareholder (along with persons acting in concert) in our Company, to be 26.00% or more of the post-issue paid-up equity share capital of our Company. Eligible Equity Shareholders must send a copy of the approval from any regulatory authority, as may be required, or obtained from the RBI to the Registrar at grievance@skylinerta.com.
17. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act (“Regulation S”) to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and (ii) in the United States to “qualified institutional buyers” (as defined in Rule 144A under the US Securities Act) (“U.S. QIBs”) pursuant to Section 4(a)(2) of the US Securities Act and other exemptions from the registration requirements of the US Securities Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States, except in each case to persons in the United States who are U.S. QIBs. I/ we confirm that I am/ we are (a)(i) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or (ii) a U.S. QIB in the United States, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States (other than U.S. QIBs) or is outside of India and the United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.”

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://www.skylinerta.com>.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Mode of Payment

All payments against the Application Forms shall be made only through (i) ASBA facility; or (ii) internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking. In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholders's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Application by Eligible Equity Shareholders holding Equity Shares in Physical Form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner”.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://www.skylinerta.com>.

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in Physical Form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date.
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Application Form from the website of the Registrar <https://www.skylinerta.com>; Company www.globesecure.in; and the Stock Exchange at www.nseindia.com.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at <https://www.skylinerta.com> by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company at www.globesecure.in;

- d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH COMPANY'S EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS".

General Instructions for Investors

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
2. In accordance with the SEBI Rights Issue Circular, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in

physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and treatment of Rights Equity Shares for non-receipt of demat account details in a timely manner”.

3. Please read the instructions on the Application Form sent to you.
4. The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
5. Application should be made only through the ASBA facility.
6. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
7. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Application on Plain Paper under ASBA process”.
8. In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
9. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
10. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
11. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
12. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equivalent to the Application Money in the ASBA Account mentioned in the Application Form.
13. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
14. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

15. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
16. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
17. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
18. Only persons in the United States to U.S. Persons, who are U.S. QIBs and are also Qualified Purchasers and outside the United States to non-U.S. Persons in offshore transactions in compliance with Regulation S to existing shareholders located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.
19. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
20. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
21. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
22. Applicants must submit a copy of the approval obtained from any regulatory authority, as may be required, or obtained from the RBI with the Application and send a copy of such approval to the Registrar at grievances@skylinerta.com, in case the Application and the resultant Rights Equity Shares will result in the aggregate shareholding or total voting rights of the Applicant (along with persons acting in concert) in our Company, to be in excess of 26.00% of the post-issue paid-up equity share capital of our Company.
23. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do's:

1. Ensure that the Application Form and necessary details are filled in.
2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income- tax Act.

3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects.
4. Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected.

Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
4. Do not pay the Application Money in cash, by money order, pay order or postal order.
5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be allotted in the dematerialized form only.
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

1. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

2. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB) and branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
3. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
5. Account holder not signing the Application or declaration mentioned therein.
6. Submission of more than one application Form for Rights Entitlements available in a particular demat account.
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
12. Physical Application Forms not duly signed by the sole or joint Investors. 13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
13. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
14. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (unless the Application Form is submitted by a U.S. QIB who is also a Qualified Purchaser in the United States) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or (b) a U.S. QIB who is also a Qualified Purchaser in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe

applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

15. Applications which have evidence of being executed or made in contravention of applicable securities laws.
16. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor.

Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer and the Application Form and other applicable Issue materials shall be sent to their email addresses if they have provided their Indian address to our Company. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income- tax Act.
2. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications.

In cases where Multiple Application Forms are submitted, including cases where (a) an Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Capital Structure - Intention and extent of participation by our Promoter” mentioned above

Last Date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e. Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, “Basis of Allotment”.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, the Application, whether made through ASBA Process cannot be withdrawn after the Issue Closing Date. Issue Schedule.

Last Date for Credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation[#]	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

[#]Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e. [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. For details, see “General Information-Issue Schedule” on page 40.

Our Board may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee (s) who has or have applied for Rights Equity Shares renounced in their favor, in full or in part.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any

unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favor, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will send/ dispatch Allotment advice, refund intimations (including in respect of Applications made through optional facility) or demat credit of securities and/ or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/ or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository. In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form

and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner.

In case of allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, the following procedure shall be adhered to:

- a) The Registrar shall send Allotment advice and credit the Rights Equity Shares to a demat suspense account to be opened by our Company;
- b) Within 6 Months from the Allotment Date, such Eligible Equity Shareholders shall be required to send a communication to our Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery;
- c) Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;
- d) In case of non-receipt of details of demat account as per (b) above, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchange at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. In case such bank accounts cannot be identified due to any reason or bounce back from such account, our Company may use payment mechanisms such as cheques, demand drafts, etc. to such Eligible Equity Shareholders to remit such proceeds. Such Rights Equity Shares may be sold over such period of time as may be required, depending on liquidity and other market conditions on the floor of the Stock Exchange after the expiry of the period mentioned under (b) above. Therefore, such proceeds (net of brokerage, applicable taxes and administrative and incidental charges) by way of sale of such Rights Equity Shares may be higher or lower than the amount paid by such Eligible Equity Shareholders at the time of subscribing such shares;
- e) Our Company shall send reminder notices seeking the requisite details of demat account prior to expiry of time period under (b) above, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details. After expiry of time period under (b) above, our Company or the Registrar shall not accept any requests by such Eligible Equity Shareholders for updation of details of demat account under any circumstances, including in case of failure to sell such Rights Equity Shares;

After the consummation of the sale of Rights Equity Shares on the floor of the Stock Exchange, our Company shall send an intimation to the respective Eligible Equity Shareholders, giving details of such sale, including the sale price and break-up of net brokerage, taxes and administrative and incidental charges; and

- f) If at the time of transfer of sale proceeds for default cases, the bank account from which Application Money was received is closed or non-operational, such sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.
- g) In case the details of demat account provided by the Eligible Equity Shareholders are not of his/ her own demat account, the Rights Equity Shares shall be subject to sale process specified under (d) above.

Notes:

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date and have not provided details of their demat accounts to our Company or the Registrar, at least two Working Days prior to the Issue Closing Date. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.

2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.
3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares on the Rights Equity Shares, as permitted under applicable laws.
4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).
5. Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH – National Automated Clearing House** is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the

IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund Payment to Non-Residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated December 18, 2021 with NSDL and an agreement dated December 17, 2021 with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the

Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" and "Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form".

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50.00% of common control)) shall be below 10.00% of our post-Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10.00% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10.00% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any 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 registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a) Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b) Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. The Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5.00% of the total paid up equity capital on a fully diluted basis or should not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10.00% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10.00% may be raised to 24.00%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”).

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹1.00 million or 1.00% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹1.00 million or 1.00% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹5.00 million or with both.

Payment by Stock Invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 05, 2003, the Stock Invest scheme has been withdrawn. Hence, payment through Stock Invest would not be accepted in this Issue.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Shareholders in the same bank account through which Application Money was received. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. For further instructions, please read the Application Form carefully.

Utilizations of Issue Proceeds

Our Board declares that:

A. All monies received out of this Issue shall be transferred to a separate bank account;

- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Undertaking by our Company

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**GLOBESEURE TECHNOLOGIES LIMITED–RIGHTS ISSUE**” on the envelope and postmarked in India or in the email) to the Registrar at the following address:



Skyline Financial Services Private Limited

CIN: U74899DL1995PTC071324

D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi 110020

Contact Person: Mr. Anuj Rana

Tel No.: 011-40450193-197

E-Mail Id: skylinerta.com

Investor Grievance E-Mail Id: grievances@skylinerta.com

This Issue will remain open for at least minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the “Department of Industrial Policy and Promotion”) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 05, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10.00% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors 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.

STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding PAN in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

SECTION X– OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents referred to in para (B) below may be inspected at the Registered Office of our Company between 11.00 a.m. to 5.00 p.m. on any Working Day from the date of the Draft Letter of Offer until the closure of the subscription list.

A. MATERIAL CONTRACTS

1. Registrar Agreement dated [●] between our Company and Skyline Financial Services Private Limited, Registrar to the Issue.
2. Banker(s) to the Issue Agreement dated [●] amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).
3. Tripartite Agreement dated December 18, 2021 between our Company, National Securities Depository Ltd. (NSDL) and Skyline Financial Services Private Limited.
4. Tripartite Agreement dated December 17, 2021 between our Company, Central Depository Services (India) Limited (CDSL) and Skyline Financial Services Private Limited.

B. DOCUMENTS FOR INSPECTION

1. Certified copies of the updated Memorandum & Articles of Association of our Company;
2. Certificate of Incorporation dated February 9, 2016 and conversion into public limited company dated August 2, 2019;
3. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated March 07, 2024 authorizing the Issue;
4. Resolution of our Committee of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio.
5. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditor to The Issue, Banker to the Issue and Registrar to the Issue to include their names in the Draft Letter of Offer to act in their respective capacities;
6. Financial Statements of our Company for the financial years ended March 31, 2024, 2023 and 2022.
7. The audit report dated May 26, 2023, and May 15, 2024, of the Statutory Auditors along with the Audited Financial Statements for the year ended March 31, 2023 and March 31, 2024 included in this Draft Letter of Offer.
8. A statement of tax benefits dated May 15, 2024 received from M/s Kumbhat & Co., Statutory Auditor regarding tax benefits available to our Company and its shareholders.
9. In-principle listing approval dated [●] from NSE.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Ragavan Rajkumar
(Managing Director)

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Sonam Ragavan

(Director)

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

**Sushilkumar Agarwal
(Independent Director)**

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

**Asheesh Chatterjee
(Independent Director)**

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Gopala Ramaratnam
(Independent Director)

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Amit Das

(Chief Financial officer)

Place: Mumbai

Date: May 16, 2024

DECLARATION

We hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Heta Desai

Company Secretary & Compliance Officer

Place: Mumbai

Date: May 16, 2024