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TRUST FINTECH LIMITED

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as "Trust Systems and Software (India) Private Limited" vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to "Trust Systems and Software (India) Limited" and a Fresh Certificate of Incorporation consequent to Conversion was issued on October 04, 2023 by the Registrar of Companies, Mumbai. Subsequently, special resolution passed by the shareholders at their Extraordinary General Meeting held on November 22, 2023, the name of our company has changed from "Trust Systems and Software (India) Limited" to "Trust Fintech Limited" and a fresh certificate of incorporation was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470. For further details of change in name and change in Registered Office of our Company, please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 187 of the Red Herring Prospectus.

Registered Office: Plot no.11/4, I.T. Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra, India, 440022. Tel: +91 - 9909647348; E-mail: cs@softtrust.com; Website: www.softtrust.com; CIN: U72100MH1998PLC117470
Contact Person: Ms. Deshna Keval Joshi, Company Secretary and Compliance Officer;

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

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

- MARKET MAKER PORTION: 3,18,000 Equity Shares
- ANCHOR PORTION: 17,88,000 EQUITY SHARES
- NET QIB PORTION : 11,92,800 EQUITY SHARES
- RETAIL PORTION: 20,88,000 EQUITY SHARE
- NON-INSTITUTIONAL PORTION: 8,95,200 EQUITY SHARES

PRICE BAND: ₹ 95 to ₹ 101 PER EQUITY SHARE OF FACE VALUE ₹ 10 EACH
THE FLOOR PRICE IS 9.50 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 10.1 TIMES OF THE FACE VALUE OF THE EQUITY SHARES
BIDS CAN BE MADE FOR A MINIMUM OF 1200 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER

PROPOSED LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Emerge platform of National Stock Exchange India Limited ("NSE Emerge"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principal approval letter dated March 19, 2024 from National Stock Exchange of India Limited ("NSE" or "NSE Emerge") for using its name in this offer document for listing of our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 286 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE EMERGE (THE DESIGNATED STOCK EXCHANGE): "It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE'".

CREDIT RATING: This being the issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEES: As this is an issue of Equity Shares, the appointment of Trustees is not required.

IPO GRADING: Since this issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading Agency.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of Company at www.softtrust.com or at website of the BRLM at www.ccvindia.com or NSE at https://www.nseindia.com/ and is expected to be available on the website of SEBI at www.sebi.gov.in.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Trust Fintech Limited at Plot No. 11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India-440022; BRLM: Corporate CapitalVentures Private Limited at its Registered Address, RTA: Bigshare Services Private Limited at its undersigned address and at the selected locations of Registered Brokers, and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

BID/ISSUE PROGRAM
ANCHOR INVESTOR BIDDING DATE: FRIDAY, MARCH 22, 2024
BID/ISSUE OPENS ON: TUESDAY, MARCH 26, 2024
BID/ISSUE CLOSURES ON: THURSDAY, MARCH 28, 2024

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

The Issue is being made in terms of Rule 19(2)(b)(i) of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 253 (1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion") provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Issue Price. All potential Bidders, other than Anchor Investors, are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID in case of RiBs) which will be blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Issue. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see the section entitled "Issue Procedure" on page 307 of the Red Herring Prospectus.

RISKS TO INVESTORS

Average cost of acquisition of Equity Shares for the Promoters as at the date of the Red Herring Prospectus is:

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

* Only the shares acquired are considered.

Weighted Average Return on Net worth for Fiscals 2023, 2022 and 2021 is 16.06%

The Merchant Banker associated with the Issue has handled 12 (Twelve) public issue in the past three years out of which 1 of the Issues closed below the Issue Price on Listing date.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 9.50 times the face value at the lower end of the Price Band and 10.1 times the face value at the higher end of the Price Band. Investors should refer to "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 28, 139, 223 and 256, of the Red Herring Prospectus respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

- We are a one stop solution provider in secure Core Banking Solutions, ERP Implementation and Customized Software

Solutions Development

- Strong and long-standing customer relationships
- Government Empanelment
- Quality Assurance and Quality Certification
- Experienced Promoters and senior management team with strong industry expertise and successful track record
- Growing our business through intellectual property capabilities

For further details, see "Risk Factors" and "Our Business" on pages 28 and 139 of the Red Herring Prospectus respectively.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see "Financial Information" on page 223 of the Red Herring Prospectus. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

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

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

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

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

2. The ratios have been computed as under:

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

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

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

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

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

Particulars	P/E Ratio
Highest	649.85**
Lowest	51.50**
Average Industry P/E	350.68

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

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

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

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

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

Basic earnings per share (Rs.) = Net profit after tax as restated for calculating basic EPS

Weighted average number of equities shares outstanding at the end of the period or year

4. Return on Net Worth (RONW):

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

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

Formula	UOM	Rs. in Lakhs	Ratio
Net Profit after tax / Net worth	Percentage	7,27,94,644 / 31,88,97,910	22.83%

2.* The ratios have been computed as under:

Return on net worth (%)	Net profit after tax as restated, attributable to the owners of the company
Net worth	Net worth as restated, including share capital and reserves and surplus, as stated at the end of the year
	Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

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

Particulars	Rs.
As of March 31, 2021	26.66
As of March 31, 2022	29.24
As of March 31, 2023	37.00
September 30, 2023	51.04
NAV Post Issue	
At the lower end of the price band of ₹ 95.00/-	38.43
At the higher end of the price band of ₹ 101.00/-	40.02
Issue price per share	[•]

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

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

2. The ratios have been computed as under:

Net asset value per equity share	Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year
	No. of equity shares outstanding at the end of the year

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of Company	For the period of September 30, 2023					RoNW (%)	NAV per share (₹)
		Face Value (₹)	Total income (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)		
1.	Trust Fintech Limited	10	1,882.14	14.04	14.04	[•]	27.51	51.04
Peer Group								
2.	Network People Services technologies Limited	10	5,329.77	15.72	15.72	17.18*	30.18	59.58
3.	VeeFin Solutions Limited	10	585.78	0.17	0.17	220.95*	0.79	31.11

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

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

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

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

7. The Issue Floor Price is ₹ 95.00/- which is 9.50 times of the Face Value of the Equity Shares and the Issue Cap Price is ₹ 101.00 which is 10.1 times of the face value.

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

Investors should read the above-mentioned information along with "Risk Factors", "Our Business" and "Financial Information" on pages 28, 139 and 223 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

For further details, please see the chapter titled "Basis for Issue Price" beginning on page 113 of the RHP

RISK IN RELATION TO THE FIRST ISSUE

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have

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Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
Hemant Padmanabh Chafale	1,12,63,852	0.42
Sanjay Padmanabh Chafale	21,12,012	0.31
Heramb Ramkrishna Damle	11,44,304	0.31
Anand Shakar Kane	9,59,577	16.57
Mandar Kishore Deo	8,31,747	0.31

* Only the shares acquired are considered.

Weighted Average Return on Net worth for Fiscals 2023, 2022 and 2021 is 16.06%

The Merchant Banker associated with the Issue has handled 12 (Twelve) public issue in the past three years out of which 1 of the Issues closed below the Issue Price on Listing date.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is 9.50 times the face value at the lower end of the Price Band and 10.1 times the face value at the higher end of the Price Band. Investors should refer to "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 28, 139, 223 and 256, of the Red Herring Prospectus respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

We are a one stop solution provider in secure Core Banking Solutions, ERP Implementation and Customized Software

Solutions Development

- Strong and long-standing customer relationships
- Government Empanelment
- Quality Assurance and Quality Certification
- Experienced Promoters and senior management team with strong industry expertise and successful track record
- Growing our business through intellectual property capabilities

For further details, see "Risk Factors" and "Our Business" on pages 28 and 139 of the Red Herring Prospectus respectively.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see "Financial Information" on page 223 of the Red Herring Prospectus. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

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

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

Note:

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

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

2. The ratios have been computed as under:

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

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

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

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

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

Particulars	P/E Ratio
Highest	649.85**
Lowest	51.50**
Average Industry P/E	350.68

- The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "Comparison with listed industry peers"
- Source: Respective audited financials of the Company, as available, for the September 30, 2023. Information on industry peer is on a standalone basis
- There are two listed peer Company namely Network People Services Technologies Limited and Veefin Solutions Limited. Thus, their data are used for comparison.
- P/E calculation based on annualised EPS reported in Sept 23 financials and closing market price prevailing for Veefin Solutions Limited and Network People Services Technologies Limited on result declaration date i.e. 6 November 2023 and 20th Oct 2023 respectively.

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

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

4. Return on Net Worth (RONW):

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

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

Formula	UOM	Rs. in Lakhs	Ratio
Net Profit after tax / Net worth	Percentage	7,27,94,644 / 31,88,97,910	22.83%

2.* The ratios have been computed as under:

Return on net worth (%)	Net profit after tax as restated, attributable to the owners of the company
	Net worth as restated, including share capital and reserves and surplus, as stated at the end of the year
Net worth	Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss)

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

Particulars	Rs.
As of March 31, 2021	26.66
As of March 31, 2022	29.24
As of March 31, 2023	37.00
September 30, 2023	51.04
NAV Post Issue	
At the lower end of the price band of ₹ 95.00/-	38.43
At the higher end of the price band of ₹ 101.00/-	40.02
Issue price per share	[*]

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

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

2. The ratios have been computed as under:

Net asset value per equity share	Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year
	No. of equity shares outstanding at the end of the year

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of Company	For the period of September 30, 2023						
		Face Value (₹)	Total income (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	RoNW (%)	NAV per share (₹)
1.	Trust Fintech Limited	10	1,882.14	14.04	14.04	[*]	27.51	51.04
Peer Group								
2.	Network People Services technologies Limited	10	5,329.77	15.72	15.72	17.18*	30.18	59.58
3.	Veefin Solutions Limited	10	585.78	0.17	0.17	220.95*	0.79	31.11

Notes:

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

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

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

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

7. The Issue Floor Price is ₹95.00/- which is 9.50 times of the Face Value of the Equity Shares and the Issue Cap Price is ₹101.00 which is 10.1 times of the face value.

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

Investors should read the above-mentioned information along with "Risk Factors", "Our Business" and "Financial Information" on pages 28, 139 and 223 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

For further details, please see the chapter titled "Basis for Issue Price" beginning on page 113 of the RHP

RISK IN RELATION TO THE FIRST ISSUE

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have

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TRUST FINTECH LIMITED

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as "Trust Systems and Software (India) Private Limited" vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to "Trust Systems and Software (India) Limited" and a Fresh Certificate of Incorporation consequent to Conversion was issued on October 04, 2023 by the Registrar of Companies, Mumbai. Subsequently, special resolution passed by the shareholders at their Extra Ordinary General Meeting held on November 22, 2023, the name of our company has changed from "Trust Systems and Software (India) Limited" to "Trust Fintech Limited" and a fresh certificate of incorporation was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470. For further details of change in name and change in Registered Office of our Company, please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 187 of the Red Herring Prospectus.

Registered Office: Plot no.11/4, I.T. Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra, India, 440022, Tel: +91 - 9909647348; E-mail: cs@softtrust.com ; Website: www.softtrust.com ; CIN: U72100MH1998PLC117470
Contact Person: Ms. Dushna Keval Joshi, Company Secretary and Compliance Officer;

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

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

• MARKET MAKER PORTION: 3,18,000 Equity Shares • ANCHOR PORTION: 17,88,000 EQUITY SHARES • NET QIB PORTION : 11,92,800 EQUITY SHARES
• RETAIL PORTION: 20,88,000 EQUITY SHARE • NON-INSTITUTIONAL PORTION: 8,95,200 EQUITY SHARES

PRICE BAND: ₹ 95 to ₹ 101 PER EQUITY SHARE OF FACE VALUE ₹ 10 EACH
THE FLOOR PRICE IS 9.50 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 10.1 TIMES OF THE FACE VALUE OF THE EQUITY SHARES
BIDS CAN BE MADE FOR A MINIMUM OF 1200 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER

PROPOSED LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Emerge platform of National Stock Exchange India Limited ("NSE Emerge"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principal approval letter dated March 19, 2024 from National Stock Exchange of India Limited ("NSE" or "NSE Emerge") for using its name in this offer document for listing of our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 286 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE EMERGE (THE DESIGNATED STOCK EXCHANGE): "It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE'."

CREDIT RATING: This being the issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEES: As this is an issue of Equity Shares, the appointment of Trustees is not required.

IPO GRADING: Since this issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading Agency.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of Company at www.softtrust.com or at website of the BRLM at www.ccvindia.com or NSE at https://www.nseindia.com/ and is expected to be available on the website of SEBI at www.sebi.gov.in.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Trust Fintech Limited at Plot No. 11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India-440022; BRLM: Corporate CapitalVentures Private Limited at its Registered Address, RTA: Bigshare Services Private Limited at its undersigned address and at the selected locations of Registered Brokers, and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

BID/ISSUE PROGRAM
ANCHOR INVESTOR BIDDING DATE: FRIDAY, MARCH 22, 2024
BID/ISSUE OPENS ON: TUESDAY, MARCH 26, 2024
BID/ISSUE CLOSES ON: THURSDAY, MARCH 28, 2024

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

The Issue is being made in terms of Rule 19(2)(b)(i) of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 253 (1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") and such portion of the "QIB Portion" provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Issue Price. All potential Bidders, other than Anchor Investors, are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID in case of RIBs) which will be blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Issue. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see the section entitled "Issue Procedure" on page 307 of the Red Herring Prospectus.

RISKS TO INVESTORS

• Average cost of acquisition of Equity Shares for the Promoters as at the date of the Red Herring Prospectus is:

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

* Only the shares acquired are considered.

• Weighted Average Return on Net worth for Fiscals 2023, 2022 and 2021 is 16.06%

• The Merchant Banker associated with the Issue has handled 12 (Twelve) public issue in the past three years out of which 1 of the Issues closed below the Issue Price on Listing date.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 9.50 times the face value at the lower end of the Price Band and 10.1 times the face value at the higher end of the Price Band. Investors should refer to "Risk Factors", "Our Business", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 28, 139, 223 and 256, of the Red Herring Prospectus respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following are our competitive strengths:

• We are a one stop solution provider in secure Core Banking Solutions, ERP Implementation and Customized Software

Solutions Development

- Strong and long-standing customer relationships
- Government Empanelment
- Quality Assurance and Quality Certification
- Experienced Promoters and senior management team with strong industry expertise and successful track record
- Growing our business through intellectual property capabilities

For further details, see "Risk Factors" and "Our Business" on pages 28 and 139 of the Red Herring Prospectus respectively.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see "Financial Information" on page 223 of the Red Herring Prospectus. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

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

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

Note:

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

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

2. The ratios have been computed as under:

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

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

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

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

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

Particulars	P/E Ratio
Highest	649.85 ⁺
Lowest	51.50 ⁺
Average industry P/E	350.68

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

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

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

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

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

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

4. Return on Net Worth (RONW):

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

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

Formula	UOM	Rs. in Lakhs	Ratio
Net Profit after tax / Net worth	Percentage	7,27,94,644 / 31,88,97,910	22.83%

2. * The ratios have been computed as under:

Return on net worth (%)	Net profit after tax as restated, attributable to the owners of the company
Net worth	Net worth as restated, including share capital and reserves and surplus, as stated at the end of the year
	Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

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

Particulars	Rs.
As of March 31, 2021	26.66
As of March 31, 2022	29.24
As of March 31, 2023	37.00
September 30, 2023	51.04
NAV Post Issue	
At the lower end of the price band of ₹ 95.00/-	38.43
At the higher end of the price band of ₹ 101.00/-	40.02
Issue price per share	[+]

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

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

2. The ratios have been computed as under:

Net asset value per equity share	Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year
	No. of equity shares outstanding at the end of the year

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of Company	For the period of September 30, 2023						
		Face Value (₹)	Total income (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	RoNW (%)	NAV per share (₹)
1.	Trust Fintech Limited	10	1,882.14	14.04	14.04	[+]	27.51	51.04
	Peer Group							
2.	Network People Services technologies Limited	10	5,329.77	15.72	15.72	17.18*	30.18	59.58
3.	VeeFin Solutions Limited	10	585.78	0.17	0.17	220.95*	0.79	31.11

Notes:

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

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

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

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

7. The Issue Floor Price is ₹95.00/- which is 9.50 times of the Face Value of the Equity Shares and the Issue Cap Price is ₹101.00 which is 10.1 times of the face value.

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

Investors should read the above-mentioned information along with "Risk Factors", "Our Business" and "Financial Information" on pages 28, 139 and 223 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

For further details, please see the chapter titled "Basis for Issue Price" beginning on page 113 of the RHP

RISK IN RELATION TO THE FIRST ISSUE

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have