

Date: March 11, 2023

To,

National Stock Exchange of India Ltd,  
Exchange Plaza,  
Bandra Kurla Complex, Bandra (East),  
Mumbai- 400051, India.

Dear Sir/Madam,

**Sub: Initial Public Issue of Vertexplus Technologies Limited of 14,79,600 Equity Shares of Face Value of Rs.10/- each.**

This is with reference to captioned issue, please find attached Pre-issue advertisement to Red Herring Prospectus of our company.

Yours Faithfully,

For Vertexplus Technologies Limited

  
Sandeep Kumar Pahariya  
(Managing Director)  
DIN: 00514815



Place - Jaipur



THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT. THIS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. THIS PUBLIC ANNOUNCEMENT IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA



# VERTEXPLUS TECHNOLOGIES LIMITED

Our Company was originally incorporated on October 20, 2010 as "Vertexplus Technologies Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Vertexplus Technologies Private Limited" to "Vertexplus Technologies Limited" vide fresh certificate of incorporation dated July 25, 2022 issued by the Registrar of Companies, Jaipur. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 121 of the Red Herring Prospectus.

Registered Office: B-19, Ground Floor, 10-B Scheme, Gopalpura Road, Jaipur -302018, Rajasthan, India. Tel. No.: +91-0141-6622200/02. Email: [compliance@vertexplus.com](mailto:compliance@vertexplus.com). Website: [www.vertexplus.com](http://www.vertexplus.com). CIN: U72200RJ2010PLC033131. Contact Person: Mrs. Akshita Goyal, Company Secretary and Compliance Officer.

## OUR PROMOTERS: MR. SANDEEP KUMAR PAHARIYA AND MRS. NIRU PAHARIYA

### THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 14,79,600 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] LAKHS ("THE ISSUE") OF WHICH UPTO 74,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS 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 UPTO 14,05,200 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE**  
**RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE**

**NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE**  
**MARKET MAKER PORTION: UPTO 74,400 EQUITY SHARES OR 5.03% OF THE NET ISSUE**

**PRICE BAND: RS. 91 TO RS. 96 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.**

**THE FLOOR PRICE IS 9.10 TIMES OF THE FACE VALUE AND**

**THE CAP PRICE IS 9.60 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**

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

\*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.

Mandatory in Public Issues from January 01, 2016. No cheque will be accepted



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

### Risks to Investors:

- Our top ten customers have contributed 99.81%, 99.20%, 99.60% & 98.80% of our revenues for the period ended September 30, 2022, March 31, 2022, March 31, 2021, March 31, 2020 based on Restated Standalone Financial Statements.
- The Merchant Banker associated with the Issue has handled 8 public issue in the past three years out of which 1 Issues closed below the Issue Price on Listing date.
- Average cost of acquisition of Equity Shares held by the Promoters, Mr. Sandeep Kumar Pahariya is ₹0.03/- and Mrs. Niru Pahariya is ₹0.00/-
- The Issue Price at the upper end of the Price Band is ₹96/- per Equity Share.
- Weighted Average Return on Net worth on consolidated basis for Fiscals 2022, 2021, 2020 and 2019 is 23.69%

### BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is [●] which is [●] times of the face value.

#### QUALITATIVE FACTORS

- Global Delivery Network
- Leveraging the experience of our Promoter
- Existing client relationship
- Diversified customer base and revenue sources
- Increasing the efficiency and knowledge of Employees

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "Business Overview" beginning on page 100 of the Red Herring Prospectus.

#### QUANTITATIVE FACTORS

Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

##### 1. Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹)	Restated Consolidated/ Standalone Profit After Tax attributable to Equity Shareholders	Weighted Average Number of Equity Shares outstanding
Diluted earnings per share (₹)	Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders	Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares

S.No	Period	Basic & Diluted (₹) (Consolidated)	Basic & Diluted (₹) (Standalone)	Weights
1.	FY 2019-20	1.53	2.25	1
2.	FY 2020-21	2.62	2.88	2
3.	FY 2021-22	4.65	4.56	3
	<b>Weighted Average</b>	<b>3.45</b>	<b>3.62</b>	<b>6</b>
	September 30, 2022*	<b>2.28</b>	<b>2.55</b>	

\*Not Annualized

- Notes:
- The figures disclosed above are based on the restated financial statements of the Company.
  - The face value of each Equity Share is ₹10.00.
  - The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone financials.
2. Price Earning (P/E) Ratio in relation to the price band of ₹91/- ₹96/- per share:

Price to Earnings Ratio (P/E) =	Issue Price
	Restated Standalone/Consolidated Earnings Per Share

#### On the basis of Consolidated Financials

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.57	20.65
2	P/E ratio based on the Weighted Average EPS	26.38	27.83

#### On the basis of Standalone Financials

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.96	21.05
2	P/E ratio based on the Weighted Average EPS	25.14	26.52

#### Industry PE

Particulars	P/E*
Highest	30.29
Lowest	22.06
Average	26.18

\*Based on Peer Group Companies as presented in Point 5 below.

##### 3. Return on Net worth (RONW)

Return on Net Worth (%) =  $\frac{\text{Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$

S. No	Period	RONW (%) (Consolidated)	RONW (%) (Standalone)	Weights
1.	FY 2019-20	16.10%	20.27%	1
2.	FY 2020-21	21.55%	20.61%	2
3.	FY 2021-22	27.64%	24.61%	3
	<b>Weighted Average</b>	<b>23.69%</b>	<b>22.55%</b>	<b>6</b>
	September 30, 2022*	<b>11.30%</b>	<b>12.08%</b>	

\*Not Annualized

##### 4. Net Asset Value (NAV) per Equity Share:

Restated Net Asset Value per equity share (₹) =  $\frac{\text{Restated Standalone/Consolidated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Sr. No.	As at	NAV (Consolidated)	NAV (Standalone)
1.	March 31, 2020	9.51	11.10
2.	March 31, 2021	12.18	13.99
3.	March 31, 2022	16.83	18.55
4.	September 30, 2022	20.19	21.10
5.	NAV after Issue [●]	[●]	[●]
	NAV after Issue - At Cap Price	39.31	39.97
	NAV after Issue - At Floor Price	40.66	41.32

NAV is Calculated after considering bonus issue made on March 07, 2022.

##### 5. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)	PE	RoNW (%)	NAV per Share (₹)
1.	Vertexplus Technologies Limited	Consolidated	10.00	4.65	[●]	27.64%	16.83
2.	Ksolves India Limited <sup>2</sup>	Consolidated	10.00	13.27	30.29	93.63%	14.17
3.	Sigma Solves Limited <sup>2</sup>	Consolidated	10.00	21.80	22.06	41.54%	82.93

<sup>1</sup>Based on March 31, 2022 restated financial statements

<sup>2</sup>Source: Based on Annual Report of Peer Group Companies

<sup>3</sup>Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue of Shares.

<sup>4</sup>Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

6. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.

7. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 100, 23 and 142 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 198 of the Red Herring Prospectus to have a more informed view.

##### 8. Key performance indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 21, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three year period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/S. A.Y & Company, Chartered Accountants, by their certificate dated February 21, 2023. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

##### Key Performance Indicators of our Company.

Key Financial Performance	For the period ended September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations <sup>11</sup>	1055.05	2086.02	1963.93	1931.71
EBITDA <sup>12</sup>	169.50	324.33	212.43	153.10
EBITDA Margin <sup>13</sup>	16.07	15.55	10.82	7.93
PAT	91.26	186.05	104.98	61.23
PAT Margin <sup>14</sup>	8.65	8.92	5.35	3.17

Notes:

- Revenue from operation means revenue from sales of services.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- PAT Margin is calculated as PAT for the period/year divided by revenue from operations

##### Explanation for KPI metrics

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

##### (i) Weighted average cost of acquisition

###### a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

###### b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares).

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

c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

##### Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of the Red Herring Prospectus:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs)	Issue Price (Rs)	Nature of Consideration	Nature of Allotment	Total Consideration (Rs in lakhs)
March 07, 2022	39,90,000	10/-	Nil	Other than Cash	Bonus Issue in ratio of 399:1	Nil

##### Secondary Transactions:

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus:

Name of Transferee	Date of Transfer	Name of Transferor	Number of Equity Shares Sold	Face Value (₹)	Transfer Price (₹)	Name of transferee	Total Consideration (₹)
Niru Pahariya	May 16, 2022	Promoter and Whole Time Director	1,000	Rs. 10/-	Rs. 10/-	Transfer To Seema Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Beena Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Shashi Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Padam Kumar Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Samyak Jain	Rs. 10,000/-

##### d. Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 91.00)	Cap price (i.e. ₹ 96.00)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	NA**	NA**	NA**

Note: \*There was no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 in last 18 months and three years prior to the date of the Red Herring Prospectus.

\*\* There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) (excluding gifts) which is equal to or more than 5% of the fully diluted paid up share capital of the Company in last 18 months from the date of the Red Herring Prospectus.

##### Set forth below are the details of comparison of key performance indicators with our listed industry peers:

We have listed peer Companies such as Ksolves India Limited and Sigma Solve Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Particulars (₹ in Lakhs)	Vertexplus Technologies Limited				Ksolves India Limited				Sigma Solve Limited			
	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operation	1055.05	2086.02	1963.93	1931.71	3501.49	4706.86	2821.53	1013.25	2768.73	4109.23	2115.31	1044.57
EBITDA	169.50	324.33	212.43	153.10	1538.84	2140.83	1240.42	119.97	1049.06	1637.01	767.22	238.10
EBITDA Margin	16.07	15.55	10.82	7.93	43.95	45.48	43.96	11.84	37.89	39.84	36.27	22.79
PAT	91.26	186.05	104.98	61.23	1120.81	1589.39	893.80	67.82	523.99	896.05	311.80	146.83
PAT Margin	8.65	8.92	5.35	3.17	32.01	33.77	31.68	6.69	18.93	21.81	14.74	14.06

For further details, please see the chapter titled "Basis for Issue price" beginning on page 83 of the Red Herring Prospectus.

## BID/ISSUE OPENS ON: MARCH 02, 2023 (THURSDAY)

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will 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 Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, 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 wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "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. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Portion (including the Anchor Investor 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. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. 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 Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RBIs using UPI Mechanism), in which the corresponding Bid Amounts



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Registered Office: B-19, Ground Floor, 10-B Scheme, Gopalpura Road, Jaipur -302018, Rajasthan, India. Tel. No.: +91-0141-6622200/02, Email: compliance@vertexplus.com, Website: www.vertexplus.com, CIN: U72200RJ2010PLC033131, Contact Person: Mrs. Akshita Goyal, Company Secretary and Compliance Officer.

## OUR PROMOTERS: MR. SANDEEP KUMAR PAHARIYA AND MRS. NIRU PAHARIYA

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**THE CAP PRICE IS 9.60 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**

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<b>ASBA*</b>	Simple, Safe, Smart way of Application- Make use of it!!!	*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.	Mandatory in Public Issues from January 01, 2016 No cheque will be accepted		UPI - Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN.
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Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

**1. Basic & Diluted Earnings per share (EPS), as restated:**

Basic earnings per share (EPS) =  $\frac{\text{Restated Consolidated/ Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$

Diluted earnings per share (EPS) =  $\frac{\text{Restated Standalone/ Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$

S.No	Period	Basic & Diluted (₹) (Consolidated)	Basic & Diluted (₹) (Standalone)	Weights
1.	FY 2019-20	1.53	2.25	1
2.	FY 2020-21	2.62	2.88	2
3.	FY 2021-22	4.65	4.56	3
	<b>Weighted Average</b>	<b>3.45</b>	<b>3.62</b>	<b>6</b>
	September 30, 2022*	<b>2.28</b>	<b>2.55</b>	

\*Not Annualized

- Notes:
- The figures disclosed above are based on the restated financial statements of the Company.
  - The face value of each Equity Share is ₹10.00.
  - The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone Financials.

**2. Price Earning (P/E) Ratio in relation to the price band of ₹91/- ₹96/- per share:**

Price to Earnings Ratio (P/E) =  $\frac{\text{Issue Price}}{\text{Restated Standalone/ Consolidated Earnings Per Share}}$

**On the basis of Consolidated Financials**

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1.	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.57	20.65
2.	P/E ratio based on the Weighted Average EPS	26.38	27.83

**On the basis of Standalone Financials**

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1.	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.96	21.05
2.	P/E ratio based on the Weighted Average EPS	25.14	26.52

#### Industry PE

Particulars	P/E*
Highest	30.29
Lowest	22.06
Average	26.18

\*Based on Peer Group Companies as presented in Point 5 below.

**3. Return on Net worth (RoNW)**

Return on Net Worth (%) =  $\frac{\text{Restated Standalone/ Consolidated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$

S. No	Period	RoNW (%) (Consolidated)	RoNW (%) (Standalone)	Weights
1.	FY 2019-20	16.10%	20.27%	1
2.	FY 2020-21	21.55%	20.61%	2
3.	FY 2021-22	27.64%	24.61%	3
	<b>Weighted Average</b>	<b>23.69%</b>	<b>22.55%</b>	<b>6</b>
	September 30, 2022*	<b>11.30%</b>	<b>12.08%</b>	

\*Not Annualized

**4. Net Asset Value (NAV) per Equity Share:**

Restated Net Asset Value per equity share (₹) =  $\frac{\text{Restated Standalone/ Consolidated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Sr. No.	As at	NAV (Consolidated)	NAV (Standalone)
1.	March 31, 2020	9.51	11.10
2.	March 31, 2021	12.18	13.99
3.	March 31, 2022	16.83	18.55
4.	September 30, 2022	20.19	21.10
5.	NAV after Issue	[●]	[●]
	NAV after Issue - At Cap Price	39.31	39.97
	NAV after Issue - At Floor Price	40.66	41.32

NAV is Calculated after considering bonus issue made on March 07, 2022.

#### 5. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹) <sup>1</sup>	PE <sup>2</sup>	RoNW (%)	NAV per Share (₹)
1.	Vertexplus Technologies Limited	Consolidated	10.00	4.65	[●]	27.64%	16.83
2.	Ksolves India Limited <sup>2</sup>	Consolidated	10.00	13.27	30.29	93.63%	14.17
3.	Sigma Solves Limited <sup>2</sup>	Consolidated	10.00	21.80	22.06	41.54%	82.93

<sup>1</sup>Based on March 31, 2022 restated financial statements

<sup>2</sup>Source: Based on Annual Report of Peer Group Companies

<sup>3</sup>Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue of Shares.

<sup>4</sup>Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

6. The face value of our shares is ₹10.00 per share and the Issue Price is [●] per share which is [●] times of the face value.

7. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Investors' Report in the offer Document to have more informed view about the investment.

8. Auditors should read the above mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 100, 23 and 142 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 198 of the Red Herring Prospectus to have a more informed view.

#### 8. Key performance indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 21, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three year period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/S. A.Y & Company, Chartered Accountants, by their certificate dated February 21, 2023. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

#### Key Performance Indicators of our Company:

Key Financial Performance	For the period ended September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations <sup>(1)</sup>	1055.05	2086.02	1963.93	1931.71
EBITDA <sup>(2)</sup>	169.50	324.33	212.43	153.10
EBITDA Margin <sup>(3)</sup>	16.07	15.55	10.82	7.93
PAT <sup>(4)</sup>	91.26	186.05	104.98	61.23
PAT Margin <sup>(4)</sup>	8.65	8.92	5.35	3.17

#### Notes:

- Revenue from operation means revenue from sales of services.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- PAT Margin is calculated as PAT for the period/year divided by revenue from operations

#### Explanation for KPI metrics

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

#### (i) Weighted average cost of acquisition

##### a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 during the 18 months preceding the date of this certificate, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

##### b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares).

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

c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

#### Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of the Red Herring Prospectus:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs)	Issue Price (Rs)	Nature of Consideration	Nature of Allotment	Total Consideration (Rs in lakhs)
March 07, 2022	39,90,000	10/-	Nil	Other than Cash	Bonus Issue in ratio of 399:1	Nil

#### Secondary Transactions:

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus:

Name of Transferee	Date of Transfer	Name of Transferor	Number of Equity Shares Sold	Face Value (₹)	Transfer Price (₹)	Name of transferee	Total Consideration (₹)
Niru Pahariya	May 16, 2022	Promoter and Whole Time Director	1,000	Rs. 10/-	Rs. 10/-	Transfer To Seema Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Beena Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Shashi Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Padam Kumar Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Samyak Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Samyak Jain	Rs. 10,000/-

#### d. Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 91.00)	Cap price (i.e. ₹ 96.00)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	NA**	NA**	NA**

Note: \*There was no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 in last 18 months and three years prior to the date of the Red Herring Prospectus.

\*\* There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) (excluding gifts) which is equal to or more than 5% of the fully diluted paid up share capital of the Company in last 18 months from the date of the Red Herring Prospectus.

#### Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

We have listed peer Companies such as Ksolves India Limited and Sigma Solve Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Particulars (₹ in Lakhs)	Vertexplus Technologies Limited			Ksolves India Limited			Sigma Solve Limited		
	Sept 30, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2021	March 31, 2020
Revenue from Operation	1055.05	2086.02	1963.93	1931.71	3501.49	4706.86	2821.53	1013.26	2768.73
EBITDA	169.50	324.33	212.43	153.10	1538.84	2140.82	119.97	1049.06	1637.01
EBITDA Margin	16.07	15.55	10.82	7.93	43.95	45.48	43.96	11.84	37.89
PAT	91.26	186.05	104.98	61.23	1120.81	1589.39	893.80	67.82	523.99
PAT Margin	8.65	8.92	5.35	3.17	32.01	33.77	31.68	6.69	18.93

For further details, please see the chapter titled "Basis for Issue price" beginning on page 83 of the Red Herring Prospectus.

## BID/ISSUE OPENS ON: MARCH 02, 2023 (THURSDAY)

## BID/ISSUE CLOSES ON: MARCH 06, 2023 (MONDAY)

Our Company in consultation with the BRLM will consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will 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 Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI (ICDR) Regulations, 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 wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "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. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 5% of the QIB Portion (excluding the Anchor Investor 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. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion shall be added to the remaining QIB Portion for proportionate allocation to QIBs. 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 Investors in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RiBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 241 of the Red Herring Prospectus.

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



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# VERTEXPLUS TECHNOLOGIES LIMITED

Our Company was originally incorporated on October 20, 2010 as "Verteplus Technologies Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Rajasthan. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Verteplus Technologies Private Limited" to "Verteplus Technologies Limited" vide fresh certificate of incorporation dated July 25, 2022 issued by the Registrar of Companies, Jaipur. For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 121 of the Red Herring Prospectus.

**OUR PROMOTERS: MR. SANDEEP KUMAR PAHARIYA AND MRS. NIRU PAHARIYA**

## THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 14,79,600 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] LAKHS ("THE ISSUE") OF WHICH UPTO 74,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS 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 UPTO 14,05,200 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE**  
**RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE**

**NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE**  
**MARKET MAKER PORTION: UPTO 74,400 EQUITY SHARES OR 5.03% OF THE ISSUE**

**PRICE BAND: RS. 91 TO RS. 96 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.**

**THE FLOOR PRICE IS 9.10 TIMES OF THE FACE VALUE AND**  
**THE CAP PRICE IS 9.60 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**

<b>ASBA*</b>	Simple, Safe, Smart way of Application- Make use of it!!!	*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.	Mandatory in Public Issues from January 01, 2016. No cheque will be accepted		UPI - Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN.
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### Risks to Investors:

- Our top ten customers have contributed 99.81%, 99.20%, 99.60% & 98.80% of our revenues for the period ended September 30, 2022, March 31, 2022, March 31, 2021, March 31, 2020 based on Restated Standalone Financial Statements.
- The Merchant Banker associated with the Issue has handled 8 public issue in the past three years out of which 1 Issues closed below the Issue Price on Listing date.
- Average cost of acquisition of Equity Shares held by the Promoters, Mr. Sandeep Kumar Pahariya is ₹0.03/- and Mrs. Niru Pahariya is ₹0.00/-
- The Issue Price at the upper end of the Price Band is ₹96/- per Equity Share.
- Weighted Average Return on Net worth on consolidated basis for Fiscals 2022, 2021, 2020 and 2019 is 23.69%

### BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is [●] which is [●] times of the face value.

#### QUALITATIVE FACTORS

- Global Delivery Network
- Leveraging the experience of our Promoter
- Existing client relationship
- Diversified customer base and revenue sources
- Increasing the efficiency and knowledge of Employees

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled "Business Overview" beginning on page 100 of the Red Herring Prospectus.

#### QUANTITATIVE FACTORS

Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

##### 1. Basic & Diluted Earnings per share (EPS), as restated:

Basic earnings per share (₹) = Restated Consolidated/ Standalone Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding

Diluted earnings per share (₹) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding after adjusting for the effects of all dilutive potential equity shares

S.No	Period	Basic & Diluted (₹) (Consolidated)	Basic & Diluted (₹) (Standalone)	Weights
1.	FY 2019-20	1.53	2.25	1
2.	FY 2020-21	2.62	2.88	2
3.	FY 2021-22	4.65	4.56	3
	<b>Weighted Average</b>	<b>3.45</b>	<b>3.62</b>	<b>6</b>
	September 30, 2022*	2.28	2.55	

\*Not Annualized

- Notes:
- The figures disclosed above are based on the restated financial statements of the Company.
  - The face value of each Equity Share is ₹10.00.
  - The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV of respective Consolidated and Standalone financials.

##### 2. Price Earning (P/E) Ratio in relation to the Price band of ₹91/- ₹96/- per share:

Price to Earnings Ratio (P/E) = Issue Price / Restated Standalone/Consolidated Earnings Per Share

#### On the basis of Consolidated Financials

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1.	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.57	20.65
2.	P/E ratio based on the Weighted Average EPS	26.38	27.83

#### On the basis of Standalone Financials

S. No.	Particulars	P/E at the lower end of the Price Band (Number of Times)	P/E at the upper end of the Price Band (Number of Times)
1.	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	19.96	21.05
2.	P/E ratio based on the Weighted Average EPS	25.14	26.52

#### Industry PE

Particulars	P/E*
Highest	30.29
Lowest	22.06
Average	26.18

\*Based on Peer Group Companies as presented in Point 5 below.

##### 3. Return on Net worth (RoNW)

Return on Net Worth (%) = Restated Standalone/Consolidated Profit After Tax attributable to Equity Shareholders / Net Worth \* 100

S. No.	Period	RoNW (%) (Consolidated)	RoNW (%) (Standalone)	Weights
1.	FY 2019-20	16.10%	20.27%	1
2.	FY 2020-21	21.55%	20.61%	2
3.	FY 2021-22	27.54%	24.61%	3
	<b>Weighted Average</b>	<b>23.69%</b>	<b>22.56%</b>	<b>6</b>
	September 30, 2022*	11.30%	12.08%	

\*Not Annualized

##### 4. Net Asset Value (NAV) per Equity Share:

Restated Net Asset Value per equity share (₹) = Restated Standalone/Consolidated Net Worth as at the end of the year / Number of Equity Shares outstanding

Sr. No.	As at	NAV (Consolidated)	NAV (Standalone)
1.	March 31, 2020	9.51	11.10
2.	March 31, 2021	12.18	13.99
3.	March 31, 2022	16.83	18.55
4.	September 30, 2022	20.19	21.10
5.	NAV after Issue	[●]	[●]
	NAV after Issue - At Cap Price	39.31	39.97
	NAV after Issue - At Floor Price	40.66	41.32

NAV is Calculated after considering bonus issue made on March 07, 2022.

##### 5. Comparison of Accounting Ratios with Industry Peers

S. No.	Name of Company	Results Type	Face Value (₹)	EPS (₹)	PE*	RoNW (%)	NAV per Share (₹)
1.	Verteplus Technologies Limited	Consolidated	10.00	4.65	[●]	27.64%	18.83
2.	Ksolves India Limited <sup>2</sup>	Consolidated	10.00	13.27	30.29	93.63%	14.17
3.	Sigma Solves Limited <sup>2</sup>	Consolidated	10.00	21.80	22.06	41.54%	82.93

<sup>1</sup>Based on March 31, 2022 restated financial statements

<sup>2</sup>Source: Based on Annual Report of Peer Group Companies

\*Basic & Diluted Earnings per share (EPS) is calculated on weighted average number of shares after considering Bonus Issue of Shares.

\*Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share.

6. The face value of our shares is ₹10.00 per share and the Issue Price is of [●] per share which is [●] times of the face value.

7. The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager and justified by our Company in consultation with the Book Running Lead Manager on the basis of above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "Business Overview", "Risk Factors" and "Financial Information of our Company" beginning on page 100, 23 and 142 respectively including important profitability and return ratios, as set out in chapter titled "Other Financial Information" on page 189 of the Red Herring Prospectus to have a more informed view.

##### 8. Key performance indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 21, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/S. A Y & Company, Chartered Accountants, by their certificate dated February 21, 2023. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

##### Key Performance Indicators of our Company.

Key Financial Performance	For the period ended September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations <sup>1)</sup>	1055.05	2066.02	1963.93	1931.71
EBITDA <sup>2)</sup>	169.50	324.33	212.43	153.10
EBITDA Margin <sup>3)</sup>	16.07	15.55	10.82	7.93
PAT <sup>4)</sup>	91.26	186.05	104.98	61.23
PAT Margin <sup>4)</sup>	8.65	8.92	5.35	3.17

Notes:

- Revenue from operation means revenue from sales of services.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- PAT Margin is calculated as PAT for the period/year divided by revenue from operations

##### Explanation for KPI metrics

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

##### (i) Weighted average cost of acquisition

###### a. The price per share of our Company based on the primary/new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

###### b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares).

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

c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

##### Primary Transactions:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of the Red Herring Prospectus:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs)	Issue Price (Rs)	Nature of Consideration	Nature of Allotment	Total Consideration (Rs in lakhs)
March 07, 2022	39,90,000	10/-	Nil	Other than Cash	Bonus Issue in ratio of 399:1	Nil

##### Secondary Transactions:

Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of the Red Herring Prospectus:

Name of Transferor	Date of Transfer	Name of Transferee	Number of Equity Shares Sold	Face Value (₹)	Transfer Price (₹)	Name of transferee	Total Consideration (₹)
Niru Pahariya	May 16, 2022	Promoter and Whole Time Director	1,000	Rs. 10/-	Rs. 10/-	Transfer To Seema Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Beena Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Shashi Jain	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Padam Kumar Pahariya	Rs. 10,000/-
			1,000	Rs. 10/-	Rs. 10/-	Transfer To Samyak Jain	Rs. 10,000/-

##### d. Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 91.00)	Cap price (i.e. ₹ 96.00)
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	NA*	NA*	NA*
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	NA**	NA**	NA**

Note: \*There was no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on March 07, 2022 in last 18 months and three years prior to the date of the Red Herring Prospectus.

\*\* There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) (excluding gifts) which is equal to or more than 5% of the fully diluted paid up share capital of the Company in last 18 months from the date of the Red Herring Prospectus.

##### Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

We have listed peer Companies such as Ksolves India Limited and Sigma Solve Limited, listed on the Indian Stock Exchanges, of which comparison of Key Performance Indicators as below:

Particulars (₹ in Lakhs)	Verteplus Technologies Limited				Ksolves India Limited				Sigma Solve Limited			
	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020	Sept 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operation	1055.05	2066.02	1963.93	1931.71	3501.49	4706.68	2821.53	1013.235	2768.73	4109.23	2115.31	1044.57
EBITDA	169.50	324.33	212.43	153.10	1538.84	2140.83	1240.42	119.97	1049.06	1637.01	767.22	238.10
EBITDA Margin	16.07	15.55	10.82	7.93	43.95	45.48	43.96	11.84	37.89	39.84	36.27	22.79
PAT	91.26	186.05	104.98	61.23	1120.81	1589.39	853.80	67.82	523.99	896.05	311.80	146.83
PAT Margin	8.65	8.92	5.35	3.17	32.01	33.77	31.68	6.69	18.93	21.81	14.74	14.06

For further details, please see the chapter titled "Basis for Issue Price" beginning on page 83 of the Red Herring Prospectus.

## BID/ISSUE OPENS ON: MARCH 02, 2023 (THURSDAY)

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will 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 Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, the Issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The Issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "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. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 5% of the QIB Portion (excluding the Anchor Investor 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. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. 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 25% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RBIs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 241 of the Red Herring Prospectus.

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

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 121 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 298 of the Red Herring Prospectus.