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(Please scan QR Code to view the DRHP)



TRUST FINTECH LIMITED
CIN: U72100MH1998PLC117470

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as “Trust Systems and Software (India) Limited” vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Trust Systems and Software (India) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 29, 2023 by the Registrar of Companies, Mumbai. Further, pursuant to special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on November 22, 2023, our company has changed its name from “Trust Systems and Software (India) Limited” to “Trust Fintech Limited” and a fresh certificate of incorporation consequent to name change was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470. For further details of change in name and change in Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 130 of the Draft 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;

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

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

PUBLIC ISSUE OF 62,82,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF TRUST FINTECH LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] 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.

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

Potential Bidders may note the following:

a) The following Changes or Updation has been made under the Chapter “Risk Factors” of the Draft Red Herring Prospectus:

- i) On page no. 28 of the DRHP, we have updated Risk Factor No. 2 by inclusion of the statement “However, as of now, we have not encountered any significant disruptions in our information technology systems or data security breaches that have had a detrimental impact on our business or reputation.”
- ii) On page no. 31 of the DRHP, we have updated Risk Factor No. 08 by adding the peer reviewed registration no. of our Peer Reviewed Auditor.
- iii) On page no. 32 of the DRHP, we have updated Risk Factor No. 14 by adding the instances of delays in GST and EPF.
- iv) New Risk Factor is added as Risk Factor no. 15 i.e. “We have relied on certain suppliers for our operations. Furthermore, we have not entered into any long-term agreement or contract with the suppliers. The potential loss of any one or more of our major suppliers would have a material effect on our business operations and profitability”.
- v) New Risk Factor is added as Risk Factor no. 16 i.e. “Risk of Attrition Rates Variability and Its Impact on Operations and Revenue”.

Note: Due to addition of Risk Factor No. 15 & 16 the sequence of the risk factors in DRHP has been changed.

- vi) On page no. 34 of the DRHP, we have updated Risk Factor No. 19 by inclusion of the statement “While we have not yet experienced any failures or client losses due to inadequate support or resource allocation.”
- vii) On page no. 35 of the DRHP, we have updated Risk Factor No 23 by adding the instances which may cause delay of payment by customers to us.
- viii) On page no. 38 of the DRHP, we have updated Risk Factor No 33 by inclusion of the statement “Furthermore, in the future, we commit to conducting all related party transactions in compliance with the Companies Act and applicable laws.”

Note: Due to reshuffling or addition/deletion of new risk factors, the sequence of the risk factors in DRHP has been changed.

b) The following changes or updation have been incorporated under the chapter “General Information” of the Red Herring Prospectus:

- i) Refer Page no. 53 of the DRHP, we have added the peer reviewed registration no. of our Peer Reviewed Auditor under the sub heading “Peer Reviewed Auditor of the Company” under heading “Details of Intermediaries pertaining to this issue and our company”.

c) The following changes or updation have been incorporated under the chapter “Capital Structure” of the Red Herring Prospectus:

- i. In Point 18 under the heading “History of Equity Share Capital of our Company” as appearing on page no. 65 of the DRHP, we have disclosed the ratio of Bonus shares in which bonus is distributed.

d) The following changes or Updation has been made under the chapter “Object of the Issue” of the Draft Red Herring Prospectus:

- i. We have rectified the Amount proposed to funded from Net Proceeds and from internal accruals as mentioned under table with a heading “To Setup a Development Facility in Mihan SEZ, Nagpur” as appearing on page no. 81 of the DRHP.
- ii. We have updated the cost of amounts in Lakhs on the following pages: -
- On page no. 81 of the DRHP, under table with a heading “Break-down of Tentative Cost Bifurcation of Civil and structural works.
 - On Page no. 87 of the DRHP, under the heading “Details of equipment already purchased out of internal accruals”.
 - On Page no. 88 of the DRHP, under the heading “Details of Hardware for which orders are yet to be placed”.
- iii. On page 91 of the DRHP, under the Object 3, we have updated the Details of Software which company proposed to enhance or develop under the heading “Details of Software identified for enhancement” for more clarification purpose.
- iv. We have updated the heading of Object 4 from “To meet out the Sales and Marketing expenses for the company” to “To meet out the Global & Domestic Business Development, Sales and Marketing expenses for the company” as appearing page no. 95 of the DRHP.

e) The following changes or Updation has been made under the chapter “Basis for Issue Price” of the Draft Red Herring Prospectus:

- i. On page 104 and 107 of the DRHP, we have updated the Key Performance Indicators (KPIs).

f) The Following Changes or Updation have been incorporated under the “OUR BUSINESS” of the Red Herring Prospectus:

- i) We have inserted the Top 10 Suppliers details for the last 3 years and for the period ended on September 30, 2023 after the details of Top 10 customers as appearing on page no. 164 of the DRHP.
- ii) We have updated or remove certain paragraphs which contains Forward looking statement, on the following pages: -
- On page no. 129 of the DRHP, we have revised the para as “On the other hand, MicroFinS is a cloud-based Core Banking Solution for the Savings & Credit for Co-operative Society (SACCOS), Credit Unions, Microfinance Institutions. Developed on an open-source platform i.e. PHP, MYSQL Running on Ubuntu Linux OS. MicroFinS offers a suite of solutions, covering diverse accounts, deposits, centralizable configurations, business intelligence, loans, and statutory compliances. Its graphical Business Intelligence reports enable quicker decision-making, while features like configurable loan products and centralized parameters streamline operations, making it a valuable asset for SACCOS with a focus on affordability and efficiency.
 - On page no. 129 of the DRHP, we have we have removed the para “To meet the anticipated growth of 1000 employees over the next three years, we are strategically planning to establish an additional facility in Mihan SEZ, Nagpur admeasuring area of 8093.71 square meters. This expansion aims to provide ample space for our expanding team. Upon setup of Mihan SEZ development facility, it will function as an export-oriented unit (“EOU”), will be purely engage in providing global core banking services and IT solutions.”
 - On page no. 130 of the DRHP, we have we have removed the para and its contents under the heading “Apart From above, we plan to develop more in our Existing Products”.
 - On page no. 132 of the DRHP, we have removed the para “TrustBankCBS is a robust, secured core banking. It provides an integrated suite on a unified platform with its core, add ons and interfaces” as mentioned under the heading “TrustBankCBS”
 - On page no. 135 of the DRHP, we have we have removed the Benefits for all products disclosed under the heading “Integrated BFSI Solutions- Add-On Module”.
 - On page no. 139 of the DRHP under the heading “LOAN ORIGATION SOFTWARE – TrustLOS” we have revised the para as “TrustLOS is a Mobile & Web based Online Interface which is being used for credit processing automation by acquisition of Loan Applications. It consists of pre-configured work-flows for Credit Scoring, Documents Checklists and facilitates a uniform, and quick Appraisals process. TrustLOS is an online loan processing interface for BFSI in India”.
 - On page no. 129 of the DRHP, we have revised the para as “Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel. To meet the space for the Potential employees over the next three years, we are strategically planning to establish an additional facility in Mihan SEZ, Nagpur admeasuring area of 8093.71 square meters. This expansion aims to provide ample space for our expanding team.”
 - On page no. 146 of the DRHP, we have we have removed “Benefits” in all the SAB B1 Add-ons mentioned under the heading “SAP B1 Add-ons developed by TFL”
- ii. We have relocated the profiles of all key employees, earlier disclosed under the heading 'TALENT BEHIND SUCCESS OF TRUST FINTECH' as appearing on page 154 of the DRHP, to the management chapter in the RHP.

- iii. On page 167 of the DRHP, under the heading "INSURANCE" we have updated as follows: -
 - ✓ In Serial No. 1, We have inserted the details of the renewed Insurance Policy.
 - ✓ In Serial No. 2, we have rectified the amount of from Rs. 4,10,000 to Rs. 3,51,00,000.
- iv. On page 160 of the DRHP, the names of some Marque clients i.e Dena Bank, Mumbai - Public Sector Bank, Syndicate Bank, Bengaluru – Public Sector Bank and Pune District Central Co-operative Bank, Pune (Maharashtra) – DCC Bank have been removed from the Marque Clientele list as the consent to use their name has not been obtained.
- v. On page 165, within the section titled "Top 10 Customers," the table showing the Top 10 Customers for the fiscal year ending March 31, 2021 has been updated. The name "Pune Urban Co-operative Bank Limited" has been changed to "Customer 8," as the consent to use their name has not been obtained.
- iii) On page no. 167 of the DRHP, we have incorporated the details of Intellectual Property Rights which we have applied i.e for the logo of "TrustLOS", "SoftGST", "MicroFinS", TrustBankCBS" And for the Companies logo under class 9 and 35.

g) The following changes or updation has been made under the chapter "OUR MANAGEMENT" of the Draft Red Herring Prospectus:

- i. One page no. 188 of the DRHP, we have updated the profile of independent directors i.e Kapil Dilip Chandrayan and Prasad Annaji Dongarkar.

h) The following changes or updation has been made under the chapter "OUR MANAGEMENT" of the Draft Red Herring Prospectus:

- i. On page no 208 of the DRHP under point 3, we have incorporated the business profiles of Shri Renuka Roadlines as "Shri Renuka Roadlines is in the business of providing SUVs pre-installed with concrete testing machines to cement companies on a rental basis. Additionally, it is also doing business of providing Tourist taxi".

i) The following changes or updation has been made under the chapter "Government and Other Approval" of the Draft Red Herring Prospectus:

- i. On page no. 264 of the DRHP, we have incorporated the details of Intellectual Property Rights which company have applied i.e for the logo of "TrustLOS", "SoftGST", "MicroFinS", TrustBankCBS" And for the Companies logo under class 9 and 35.

j) The following changes or updation has been made under the chapter "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION" of the Draft Red Herring Prospectus.

- i) On page no. 245 of the DRHP, we have removed the existing factors and inserted the macroeconomic & microeconomic factors affecting the operations of the Company under the heading "FACTORS AFFECTING OUR RESULTS OF OPERATIONS"
- ii) We have inserted the Rational for fluctuation in Revenue & Increase in PAT Margins in stub period i.e September 30,2023 from F.Y 2023 under heading "Net Profit after Tax and Extraordinary items" in "REVIEW OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2023" on page no. 248 of the DRHP.
- iii) We have inserted the Rational for fluctuation in Revenue under heading "Income" in "FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2022" on page no. 249 of the DRHP.
- iv) We have inserted the Rational for Increase in PAT Margins under heading "Net Profit after Tax and Extraordinary items" in "FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2022" on page no. 249 of the DRHP.
- v) We have inserted the Rational for fluctuation in Revenue and Increase in PAT Margins under heading "Net Profit after Tax and Extraordinary items" in "FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2021" on page no. 250 of the DRHP.

Point to be Noted:

There may be additional changes in the relevant pages of the RHP, in order to incorporate the above stated changes.

The information in this Addendum supplements and updates the information in the Draft Red Herring Prospectus, as applicable, and the aforementioned changes are to be read in conjunction with the Draft Red Herring Prospectus. Accordingly, appropriate references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum. Unless further updated, the changes pursuant to this Addendum, including the consequent changes to the relevant portions of the sections "Risk Factors", "General Information", "Capital Structure", "Object of the Issue", "Our Business", "Our Management", "Government and Other Approval" and "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION" beginning on pages cover page 27, 52, 60, 78, 128, 183, 261 and 244 respectively, of the Draft Red Herring Prospectus, as a result of the abovementioned changes, there will be suitable updating in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, the SEBI and the Stock Exchange. Investors should not rely on the Draft Red Herring Prospectus or this Addendum for any investment decision and should read the Red Herring Prospectus, as and when it is filed with the RoC, the SEBI and the Stock Exchange before making an investment decision with respect to the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States only to "qualified

institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in the Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as "QIBs". The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Place: Nagpur
Dated: 15.03.2024

For and on behalf of Trust Fintech Limited

Sd/-
Ms. Deshana Keval Joshi
Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 Corporate Capital Ventures CORPORATE CAPITALVENTURES PRIVATE LIMITED B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, Tel: +91-11-41824066; Email: smeipo@ccvindia.com Investor Grievances Email Id- investor@ccvindia.com Website: www.ccvindia.com SEBI Registration: INM000012276 Contact Person: Mrs. Harpreet Parashar	 BIGSHARE SERVICES PRIVATE LIMITED Office No. S6- 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India. Tel No.: +91 – 22 – 6263 8200; Fax No.: +91 – 22 – 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievances Email Id – investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No.: INR000001385 Contact Person: Mr. Vinayak Morbale
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.



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SECTION III- RISK FACTORS

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

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

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

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

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

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

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

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

Employee Provident Fund

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



Delay GST – 3B

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

Delay GSTR - 9

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

Delay GSTR – 1

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

Furthermore, in the future, we commit to conducting all related party transactions in compliance with the Companies Act and applicable laws. However, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details kindly refer to the chapter titled 'Financial Statements' beginning on page 241 of this Draft Red Herring Prospectus.



SECTION IV: General Information

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

PEER REVIEW AUDITOR OF THE COMPANY

M/s Abhijit Kelkar and Company

Chartered Accountants

Firm Registration No.: 121920W

Peer Reviewed Registration No.: 012301

Address: "Shrinivas" Kelkar Building, Ground Floor,
Badkas Square Road, Mahal, Nagpur, Maharashtra- 440032

Tel: +91- 9422126890

Email: abhijit@kelkarcoca.com

Contact Person: Abhijit Kelkar



SECTION VI: CAPITAL STRUCTURE

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

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



SECTION VII: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

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

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

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

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



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



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



15	Providing and laying vitrified mirror / glossy finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 590 mm to 605 mm x 590 mm to 605 mm off 8 to 10 mm thickness and confirming to IS. 1562-22006 (groupBla) of approved make, shade and pattern for Flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and clearing etc. complete.b) Floor	Sq. m.	126.90	Rs 1265.27/-	1.60
16	Providing and laying vitrified matt finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 600 mm x to 600 mm of 8 to 10 mm thickness and confirming IS. 15622-2006 (Group Bla) of approved make, shade und pattern for flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and cleaning etc. complete. a) Toilet Flooring.	Sq. m.	2843.10	Rs 1758.7/-	50.00
17	Providing and laying vitrified mirror / glossy finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 590 mm to 605 mm x 590 mm to 605 mm of 8 to 10 mm thickness and confirming to IS. 15622-2006 (groupBla) of approved make, shade and pattern for flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and clearing etc. complete.b) Wall	Sq. Mt.	10,165.50	Rs 1308.27/-	132.99
18	Providing and fixing M40 grade thick vibrated pull cast or similar type Concrete frame with chamfer conforming to IS. 65241983 having 6 mm dia bars 3 Nos. And stirrups @250 mm c/c and fixing in wall with 6 Nos of hold fast of 12 mm dia bars 500 mm long including primer and oil painting etc, complete) frame size 60 mm 100 mm	R. Mt.	43.2	Rs 650/-	0.27



19	Providing and fixing in position. (as per I.S. 1868/1982) Aluminum sliding window of two tracks with rectangular pipe having overall dimension 63.50 x 38.10 x 1.02 mm at weight 0.547 kg Rmt. and window frame bottom track section 61.85 x 31.75 x 1.20 mm at weight 0.695 kg/Rmt. Top and side track section 61.85 x 31.75 x 130 mm al weight 0.659 kg. Rmt. The shutter should be of bearing bottom 40 x 18 x 1.25 mmm at weight 0.417 kg/Rmi. Inter locking section 40 x 18 x 1.10 mm as weight 0.469 kg RezAnd handle section 40 x 18 x 1.25 mm al weight 0.417 kg/Roma, and top section 40 x 18 x 1.25 mm at weight 0.417 kg/Rmt. As per detailed drawings and as directed by Engineer in charge with all necessary Aluminum sections fixtures and fastenings such as roller bearing in eylon casting and self locking catch fined in vertical section of shuner including 5 mm thick plain glass with all required screws and nuts etc complete. With colourAnodising with her.	Sq. Mt.	29.4	Rs 5890/-	1.73
20	Providing and fixing in position powder coated aluminum louvered windows / ventilator of various sizes with powder coating as per detailed drawing and 22 specifications including aluminum frames 80 x 38 mm x 1.22 mm box type, 5 mm thick sheet glass louvers, ofapproved quality etc. complete.	Sq. Mt.	3.24	Rs 3727/-	0.12
21	Providing and fixing solid core flush door shutter in single leaf 32 mm thick decorative type of exterior gradeas per detailed drawings approved face veneers 3 mmthick on both faces or as directed, all necessary beads.mouldings and lipping, wrought iron hold fasts. chromium plated fixtures and fastenings, with brassmortise lock, chromium plated handles on both sides, andfinishing with French Polish esc. complete.	Sq. Mt.	20.16	Rs 3309.92/-	0.66



22	Providing and fixing in position Gypsum board false ceiling with 12.5 mm thick Gypsum boards, screwed/fixed to the under structure of suspended G.1. Grid constructed and suspended from the main ceiling consisting of ceiling sections of size 25 x 50 mm maximum center to center distance of 600 millimetre perimeter channel and intermediate channels at maximum center to center distance 1200millimetre galvanized grid should be fixed to reinforced cement concrete slab. The gypsum board should be fixed to galvanized iron grid with necessary screws. The boards should be taped and filled from underside to give smooth, seamless ceiling. The necessary additional rate should include sections ceiling and intermediate channels. Additional intermediate channels should be fixed to strap hangers for additional support to prevent strapping at every 1200millimetre item to be completed in all respect including necessary sleeves for ducts finishing of joints cut outs, painting including labour, material, lifts etc. all complete.	Sq. Mt.	5480.15	Rs 1901.67/-	104.21
23	Providing and applying Two coats of wall care Putty on plastered surface and Ceiling and Walls to prepare surface even and smooth of approved make, etc complete	Sq. Mt.	15,651.12	Rs 90.48/-	14.16
24	Providing and applying plastic emulsion paint of approved quality, colour and shade to old and new surfaces in two coats including scaffolding, preparing the surface. (including the primer coat) etc. complete.	Sq. Mt.	15,651.12	Rs 140.4/-	21.97
				Total Amount	1,272.29
	Glass Fasad Work				135.00
	Electrical Work (5% on Total Amount)				63.61
	Plumbing Work (3% on total amount)				38.16
	Interior Work (20% on Total Amount)				278.62
	a) Furniture work for each IT Engineer's work table	Nos	500		
	b) Chairs	Nos	500		
	c) Centralized cooling system	Sq. M	7806		
	d) Heighted Partition for each cabins	Sq. M	1750		
	e) Furnishing of all cabins	Nos.	200	Rs. 5000/-	10.00
	I) Chairs				
	II) Table, conference table, DIAS carpet, corner table, storage	Lump sum	Lump Sum	--	10.00
	Exterior Development and Miscellaneous Items				
	a) Compound wall	R.m	360.0	Rs. 5500/-	19.80
	b) Exterior flooring work	Sq.m	4795.0	Rs. 2000/-	95.90
	c) Water coolers, Projectors, Printers and others miscellaneous				10.00
	d) Lifts	Nos	3 Nos	Rs 1200000/-	36.00



					1,969.39
	Miscellaneous @ 20% (Including 5% supervision charges)				49.23
				Total Amount	2,018.63

2. Investment in procuring hardware

Details of equipment already purchased out of internal accruals:

Sr. No.	Specifications	Date of Purchase	Qty/ Units purchased	Per Unit Price	Amount which will be financed from Internal Accruals (Rs. in Lakhs)	Vendor Name and Address	Date/ Estimated date of Delivery
Computer and Peripherals							
1.	CPU Intel Ci3 10 th (10105F), Mbd Asus H510 M-E, SSD Wd 480gb Sn 350Nvme, Mos Logitech M90 USB, Kbd Logitech K-120 USB, Grf Aarvex Gt610 1Gb Ddr3, Cbn Circle Lil, Tft Lenovo 18.5 (HDMI) & Ram Aarvex 8gb Ddr4 Dtp (2666)	08-05-2023	10	45,339	4.53	Dev Trade	08.05.2023
2.	CPU Intel Ci3- 7 10 th , Mbd Asus H510 M-E, Cpu Intel Ci3-7 th , MDB Cebronics H110, RAM Aarvex 8GB Ddr4 Dtp, Grf Zebion 2gb Ddr3 Gt610, Cbn Coconut Cane with Smps, Kbd Dell Usb b 216 & Tft Lg 20" HDMI	19-07-2023	Lump-sum	4,25,000	4.25	Dev Trade	19.07.2023
3.	Cpu Intel Ci3 10 th (10105F), Mbd Asus H510 M-E, Ssd Wd 480gb Sn350 Nvme, Cmb Logitech Mkt 120, Grf Aarvex Gt 610 2gb Ddr3, Tft Lg 18.5" (19M38AB) Vga & Cbn Fingers Babytower	19-08-2023	10	43,601	4.36	Dev Trade	19.08.2023
4.	Ltp Lenovo 82TTA00IUH DOS (CI312TH/8/512) & Lenovo Bag pack	04-10-2023	2	14,194.5	0.28	Dev Trade	04-10-2023
5.	SS210Z12ZZRCAA XG 210 Webserver production Renewal, XS210Z12ZZRCAA XG 210 Xstream Protection Reneal- 1 year	10-11-2023	Lump-sum	70,700	0.70	CACHE TECHNOLOGIES PVT LTD	10-11-2023
6.	Cpu Intel Ci3 10th (10100F), Mdb Asus H510 M-E, Cpu Intel Ci3-7th, Mdb Zebronicsa H 110, Ram Aarvex 8gb Ddr4 Dtp (2666) Ssd Aarvex 256gb Sata, Grf Zebion 2gb Ddr3 Gt610, Cbn Coconut cane with Smps, Kbd Dell Usb Kb216, Mos Dell Usb Ms116 & Tft Lg 20" (20M39H) HDMI	18-11-2023	Lump-sum	3,83,474	3.83	DEV TRADECOM	18-11-2023
7.	Ram, SSD, electrical material, Lan cable & connector, UPS and battery, connector, electrical light, Lenovo TFT, Lenovo CPU, computers, CPU, chairs, connector, SSD, coconut cat, cupboard, other equipment's, UPS &	Various Date	Lump-sum	38,28,389.44	38.28	Various Vendors	Various Delivery dates



Batteries, Pendrive, Kolors kbc plate, cables, hawells capasitors and other materials, Switch regulator, Swith, socket tape roll and electricasl material						
Total				56.25		

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

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

Sr. No.	Specifications	Qty/ Units to be purchased	Per Unit Price	Total Estimated cost (Rs. in Lakhs) *#
Computer and Peripherals				
1.	Lenovo make commercial Desktop: - Intel Core i3 (12 th Gen), 8GB RAM, 512 GB SSD hard disk, Keyboard, mouse, 18.5 "TFT monitor.	455	34,000	154.70
2.	Windor 11 (Professional) operating system	434	13,000	56.42
3.	48 Port Gigabyte (Digisol make) network switch (manage)	10	38,500	3.85
4.	42U server rack with accessories (Net rack make)	3	46,500	1.40
5.	6u wall mount network rach (netrack)	5	4,350	0.28
6.	24 Port patch panel (Digisol)	24	2,200	0.53
7.	120 KVA UPS (Vertiv make)	2	20,05,000	40.10
8.	20 KVA UPS (Vertiv make)	2	8,50,000	17.00
9.	200 KVA generator (Kirloskar make)	1	23,50,000	23.50
10.	Visual Studio	47	35,000	16.45
11.	Lenovo/Dell Make rack server: Intel Xeon 16 core gold processor, 512 GB RAM, 4 tb SSD Hard disk (2no.), RPS (2no.), HBA supported card 16 GBm RAID 01.	7	4,97,500	34.83
12	Lenovo/Dell Make rack server: Intel Xeon 16 core gold processor, 512 GB RAM, 4 tb ssd Hard disk (2no.), RPS (2no.), HBA supported card 16 GBm RAID 01.	2	4,72,000	9.44
13	Microsoft window server std. 2022	15	75,500	11.32
14	Microsoft SQL server std 2022 core base (2core) license	16	2,80,000	44.80
15	Microsoft window server std 2022 cal license	405	2,700	10.93
16	Quick heal End point security anti-virus	474	975	4.62
17	Quick Heal (server edition)	15	1,400	0.21
Total Estimated Project Cost				430.32

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

Details of Software identified for enhancement:

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

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

Enhancements and development to be made in our "TrustBankCBS"



1. RBI Statutory Compliance Reporting (Reporting Tool):

We are actively developing the reporting tool to generate various reports mandated by the RBI. A significant investment of Rs. 75.40 Lakhs has already been incurred to this development as on January 20, 2023 constituting a part of the total of Rs. 214.10 Lakhs. So, it is a reporting tool to generate various reports mandated by the RBI. Currently in most of Banks all the reports are being generated manually in excel which is a tedious task, requires more human resources and are prone to errors. We have implemented an automated solution to it through this software. Currently this reporting tool is integrated to our existing product TrustBankCBS. This shall be productised as a standalone software which can be integrated with our TrustBankCBS as well as any other CBS available in the Market. We are creating a separate databank(database) to help generating these compliance reports to avoid burden on the existing database which is used for production environment (which helps day to day bank transactions).

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

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

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

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

2. TrustBankCBS Customization for Credit Unions in North America USA

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

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

- a) KYC i.e integration with social security API: - This integration ensures that banks/credit unions can verify the identity of their customers accurately and efficiently by accessing official government databases. It helps banks comply with regulatory requirements, mitigate the risk of identity theft and fraud, and enhance the overall security of their banking operations, Within the CBS software, the KYC module typically includes functionalities to collect, store, and verify customer information, such as personal details, identification documents, and biometric data. Integration with social security APIs allows the software to automatically validate customer-provided information against official records maintained by government agencies, such as the Social Security Administration in the United States.
- b) Wire transfer integration like we have RTGS / NEFT integration with NPCI in commercial Banks in India.
- c) User Interface label changes and some charges Configuration as per their rules and policies.
- d) Integration with Compliance reporting tool customised as per requirements of the State, federal, IRS policies.
- e) Integrating CBS (Core Banking Solution) software with credit bureaus through simple API integration is a common practice for banks



seeking to streamline credit assessment processes, enhance risk management, and ensure regulatory compliance. Integration with Credit bureau to fetch the customers lending records and cibil scores to mitigate the credit risk.

- f) Credit Card / Debit Card integration through Switch for seamless payment processing: Integrating credit card and debit card transactions through a switch, local settlement bank integration, and reconciliation mapping within their CBS software, banks in North America can offer seamless and secure card-based payment services while ensuring compliance with regulatory standards enforced by entities such as the Federal Reserve, the Consumer Financial Protection Bureau (CFPB), and card networks.

3. CBS customization for NBFC in INDIA

We are looking for the customization of the existing CBS i.e "TrustBankCBS" to capture the Mandated CBS requirements of NBFCs, in response to the Reserve Bank of India's circular No. RBI/2021- 22/175 dated February 23, 2022 which mandates that NBFCs with 10 or more fixed-point service delivery units must implement a Core Financial Services Solution by September 30, 2025.

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

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 160.30	Rs.45	Rs. 39	Approx. 30%	By July, 2024	We have only one NBFC customer i.e. NABFINS. We will provide and charge for the new version CBS which is on latest technology on SAAS basis to our existing customer.	Yes, for NBFC it shall be offered in CAPEX and OPEX SAAS mode

Current Scenario

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

Components to be used from Existing CBS

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



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

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

4. Customization additions in Back-office modules

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

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

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

For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 267.2	Rs. 50	Rs. 47.11	Approx. 25%	By July, 2024	We will be charging extra premium from existing clients	YES, it will be offered to other banks who are not using our CBS on CAPEX mode

New Development under Process: -

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



associated accounting entries. Additionally, it will support asset revaluation, subsidy handling, barcoding, physical verification, depreciation calculations, Fixed Asset Register (FAR) reporting, and other management information system (MIS) reports. The module functionality shall also cover asset AMC, warranty, and insurance details, with automated alert notifications for AMC and insurance renewal reminders.

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

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

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



offering these services under our own brand with this we can charge per transaction fee from the bank. This enhances brand visibility and customer loyalty without the need to manage technical infrastructure, connectivity, or regulatory compliance, as these aspects are handled by the switch provider.

• **API Aggregation:**

- ✓ At present we are doing PAN, AADHAR and GST authentication. Same functionality will be used in API Aggregation.
- ✓ New development: Creating portal for taking all APIs (PAN Verification, AADHAR verification, driving license verification, GST verification, CIBIL score etc) and providing online billing for consumption of API.

Customer billing portal will be developed which will have pre-paid, self-service login for each customer. The customer will know its consumption of API on daily basis and it will maintain balance with us by paying online every week, thereby minimum balance will be maintained by customer with us. We shall be giving weekly invoice based on consumption of API. Every API will have different rate as per agreement with respective client.

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

Usage from existing CBS software

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

New Changes for Spanish Version

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

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

For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 159.5	Rs. 50	Rs. 48	Approx. 20%	By November, 2024	No, it will be offered to all together new clients in north America	Yes, from the Credit unions in north America.

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

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



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

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

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

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

In new risk management following steps will be there

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

For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 147.1	-	-	Nil	By September, 2024	No Existing Client as it is a new development, but it will be offered to all the existing clients with extra charges as the RBI mandated risk management to be incorporated by all co-operative banks by April 2024.	YES, it will be offered to other banks who are not using our CBS on CAPEX mode

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

- 1) Business Risk: Our Software will check Constitution of Business, Business Experience in years, Activity, Length of relationship with Bank, Nature of Banking
- 2) Market Risk: We will provide user interface to enter globally / locally available relevant market research data regarding Growth potential in concern industry, number of Impact of cyclic fluctuation on sales



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

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

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

7. Universal digital Reconciliation

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

Components used from existing software

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

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

- Data Aggregation: UDR consolidates transaction data from various sources, utilizing standardized methods for data extraction from systems, including those tightly integrated with CBS.
- Normalization and Standardization: It ensures data consistency in proper format or structure by normalizing and standardizing transaction information, facilitating easy comparison and reconciliation across channels.
- Automated Matching: Advanced algorithms automatically identify matches across transactions by comparing key attributes, streamlining the reconciliation process.
In case of ATM various cases such as CASH not dispensed but debited from account. Cash dispensed but not debited to account, less cash dispensed etc can be settled quickly using daily reconciliation.
- Real-time Monitoring: UDR actively monitors transactions flows in real-time to detect discrepancies, Automated alerts and notifications are generated to flag potential discrepancies for prompt investigation and resolution.
- CBS Integration: it remains integrated with the existing CBS for validation and updates with CBS. UDR can validate reconciled transactions against the CBS records to ensure accuracy and consistency.



- Enhanced Reporting: UDR provides enhanced reporting and analytics, offering insights into transaction trends, reconciliation outcomes, and performance metrics. These reports complement existing CBS reporting functionalities, providing a comprehensive view of digital transaction reconciliation processes.
- Customization and Configuration: UDR Flexible settings allow banks to tailor reconciliation workflows, exception processes, and rules to meet specific their specific needs, even within complex CBS environments.
- Scalability and Adaptability: Designed to handle high volumes of data, UDR adapts to increasing transaction volumes and regulatory changes, ensuring efficient reconciliation across multiple digital channels.
- UDR can efficiently reconcile transactions across multiple channels within the existing CBS infrastructure, accommodating growing transaction volumes and evolving regulatory requirements.

For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 129.60	-	-	Approx 10%*	By August, 2024	We will be charging extra premium from existing clients	YES, it will be offered to other banks who are not using our CBS on OPEX mode

* Company has expended Rs. 12 Lac uptill now.

Enhancements and development to be made in our “TrustLOS”

8. Loan Origination for North American Market

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

Components used from existing LOS

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

New Development

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

- KYC i.e integration with social security API, state-wise driving license. API are used to integrate with application for completing KYC of borrower/ customer. It involves KYC process, borrower applies for a loan, they provide personal information such as their name, Social Security number (SSN), date of birth, and other relevant details. The loan origination system then uses this information to query the Social Security Administration's API, driving license API and validates the person.
- Credit bureau integration (Simple API integration). Integrating with credit bureaus APIs by which lenders can efficiently assess the creditworthiness of loan applicants, make informed lending decisions.
- Payment gateway integration for collection of fees/ charges / processing fees. This involves API integration with payment gateway services like Fiserv. Integrating a payment gateway into a loan origination system allows lenders to collect various fees, charges, and processing fees associated with loan applications and disbursements.
- User Interface label changes and some charges Configuration.
- Compliance reporting (State, federal, IRS): Compliance reporting within a loan origination system involves ensuring that the system generates and submits required reports to various regulatory bodies, including state agencies, federal authorities, and the Internal Revenue Service (IRS).



- F) Hosting solution on Snowflake platform/ Azure/ AWS: - Hosting a loan origination system on cloud platforms like Snowflake, Azure, or AWS offers numerous advantages in terms of scalability, reliability, security, and cost-effectiveness. Hosting partner remains responsible for data privacy, data protection, encryption etc.

For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 181.40	-	-	Nil	By September, 2024	No Existing Client	It will be offered on SAAS per case basis on Azure Platform.

9. Loan Origination on ONDC platform

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

For Seller App

Components to be used from existing LOS For Seller app:

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

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

New Development in seller app

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

For Buyer App

Completely New Developments for Buyer App

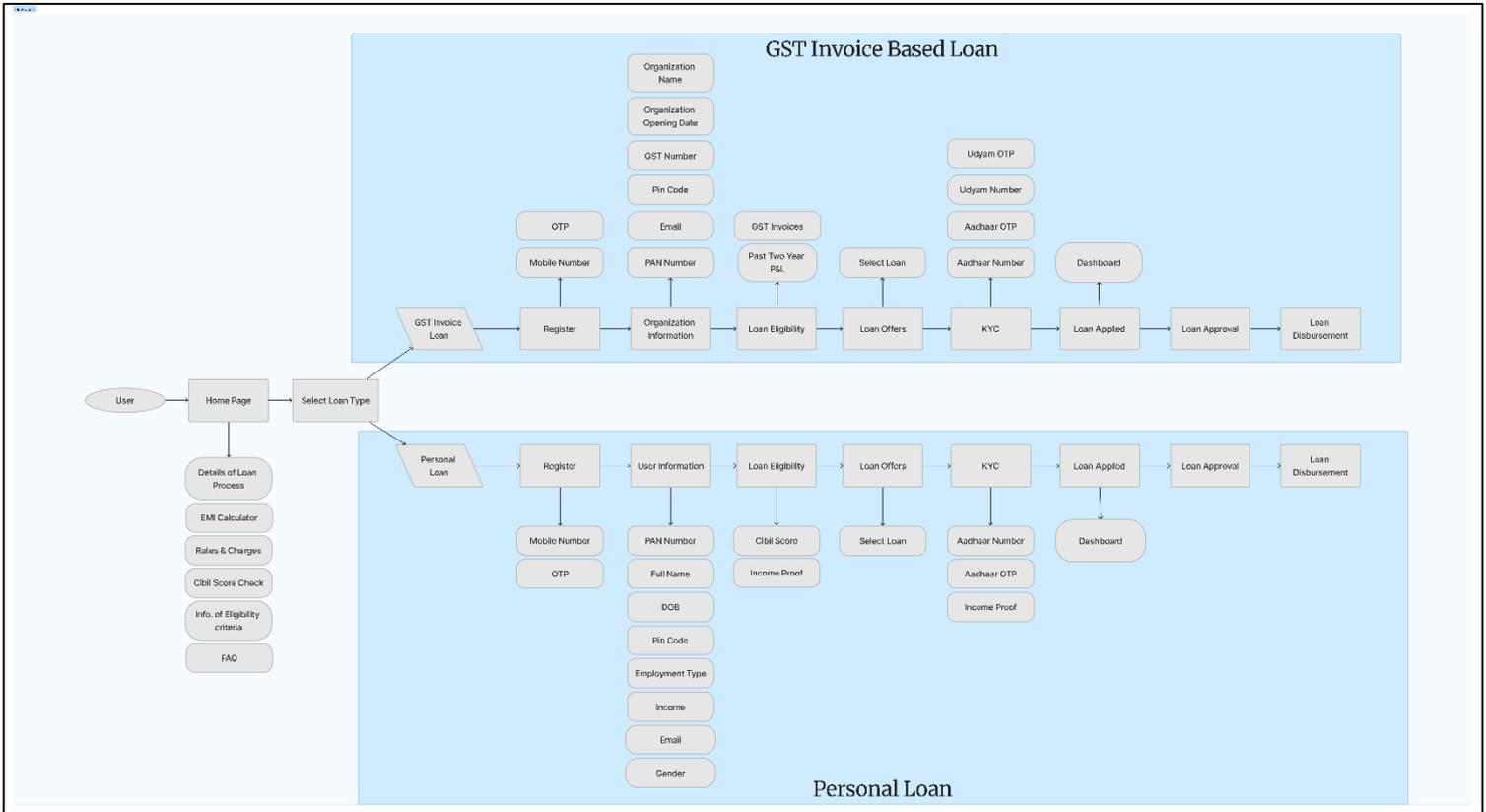
The home page of buyer app, web application provides users with comprehensive information on the loan process, including detailed steps and requirements. Guides users through loan applications, featuring an EMI calculator, CIBIL score check, eligibility criteria, and FAQs.

Modules in Buyer App:

- Loan Offerings: Personal Loan and GST-based loan for MSMEs



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



For the Current Progress and Investment refer below table: -

Total Fund Requirement (Rs. In Lakhs)	Amount to be financed from Internal Accruals (Rs. In Lakhs)	Amount already incurred as on January 20,2023 (Rs. In Lakhs)	Stage of the Product as on date	Tentative Timelines for Completion	Whether new developed features to be offered Free of cost to existing customer	Whether new developed features will generate revenue form new clients
Rs. 167	Rs. 17.2	Rs. 11	Approx 20%	By June, 2024	No existing Client	Yes, for Banks will be charged onetime Fee plus AMC for customer.

Enhancements and development to be made in our "SOFTGST"

10. GST on ONDC Platform

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

- The API shall be made available to all small vendors for integration of e-way bill, e invoice in their existing platform.



- Return filing utility shall be provided with bulk upload, excel integration for small traders.
- Reconciliation utility for third party software shall be enabled so that the service can be embedded in their existing Software.

Steps involved for Integration of SOFTGST on ONDC Platform

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



BASIS FOR ISSUE PRICE

Key Financial Performance	Trust Fintech Limited			
	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations (In Lakhs)	₹ 1,882.14	₹ 2,254.34	₹ 1,763.25	₹ 2,394.66
Accounts Receivable turnover ratio (In Times)	1.63 Times	3.39 Times	4.02 Times	4.61 Times
Working Capital (Rs. in Lakhs)	₹ 1,465.06	₹ 980.53	₹ 941.10	₹ 725.89
Current Ratio (Times)	3.70 Times	3.46 Times	4.07 Times	4.58 Times
EBITDA (In Lakhs)	₹ 996.330	₹ 594.310	₹ 227.290	₹ 311.240
EBITDA margin (%)	52.91%	26.18%	12.63%	12.87%
ROCE (%)	28.54%	20.07%	11.03%	22.26%
PAT margin (%)	38.66%	17.72%	7.43%	9.08%
ROE (%)	23.61%	18.99%	9.22%	17.26%
Net working capital days	237.13 Days	155.57 Days	172.54 Days	110.64 Days
Debt To Equity Ratio (Times)*	0 Times	0 Times	0.08 Times	0 Times*

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

Formula Used to derive the above ratios is as under:

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



COMPARISON OF KPI WITH LISTED INDUSTRY PEERS

Key Financial Performance	Trust Fintech Limited				Network People Services Technologies Ltd.				Veefin Solutions Ltd.			
	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021	September 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	₹ 1,882.14	₹ 2,254.34	₹ 1,763.25	₹ 2,394.66	5,241.37	4,078.69	1,916.18	1,520.48	583.95	1303.84	618.89	76.06
Accounts Receivable turnover ratio	1.63 Times	3.39 Times	4.02 Times	4.61 Times	17.71 Times	13.87 Times	3.11 Times	3.21 Times	0.76 Times	3.25 Times	14.60 Times	8.11 Times
Working Capital (Rs. in Lakhs)	₹ 1,465.06	₹ 980.53	₹ 941.10	₹ 725.89	2,818.4	1,578.24	1,125.44	21.67	719.97	494.19	(193.93)	(758.72)
Current Ratio	3.70 Times	3.46 Times	4.07 Times	4.58 Times	3.13 times	2.74 Times	2.55 times	1.01 times	2.77	2.00 Times	0.40 times	0.22 times
EBITDA	₹ 996.330	₹ 594.310	₹ 227.290	₹ 311.240	1,652.31	1203.65	348.47	293.53	86.60	468.42	73.93	8.72
EBITDA margin (%)	52.91%	26.18%	12.63%	12.87%	31.52%	29.51%	18.18%	19.30%	14.83%	35.92%	11.94%	11.46%
ROCE (%)	28.54%	20.07%	11.03%	22.26%	32.74%	29.53%	8.90%	20.46%	1.45%	10.67%	4.53%	1.43%
PAT margin (%)	38.66%	17.72%	7.43%	9.08%	19.38%	15.98%	7.77%	7.03%	5.78%	29.03%	8.95%	18.89%
ROE (%)	23.61%	18.99%	9.22%	17.26%	30.18%	22.82%	6.76%	16.01%	0.79%	8.75%	6.12%	13.77%
Net working capital days	237.13 Days	155.57 Days	172.54 Days	110.64 Days	196.27	120.97	29.93	3.50	450.02	115.88	(115.57)	(393.82)
Debt To Equity Ratio	0 Times	0 Times	0.08 Times	0 Times	0.004 Times	0.01 times	0.00 times	0.06 times	0.008 Times	0.02 Times	0.40 times	4.54 times

*Not annualized.

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



SECTION VIII: ABOUT US

OUR BUSINESS

On the other hand, MicroFinS is a cloud-based Core Banking Solution for the Savings & Credit for Co-operative Society (SACCOS), Credit Unions, Microfinance Institutions. Developed on an open-source platform i.e. PHP, MYSQL Running on Ubuntu Linux OS. MicroFinS offers a suite of solutions, covering diverse accounts, deposits, centralizable configurations, business intelligence, loans, and statutory compliances. Its graphical Business Intelligence reports enable quicker decision-making, while features like configurable loan products and centralized parameters streamline operations, making it a valuable asset for SACCOS with a focus on affordability and efficiency.

Integrated BFSI Solutions- Add-On Module

Below Solutions are integrated by our company as a Add on module or as an addition solution with the core Banking System. Additionally, our company will also offer below software individually without CBS in the future if a customer prefers standalone solutions only. This allows customers to choose specific solutions tailored to their requirements.

1. “TrustADF”, Statutory Report Generation

TrustADF is a complete solution for Statutory Report Generation required by BFSI organizations. TrustADF is a Comprehensive suite and has reporting capabilities that empowers Banking / Financial Institution to generate Statutory and analytical reports such as:

- **Reports**
 - RBI/OSS/ALM/AML reports
 - (Statutory Statements)/ RBI Audit (1-10)
- **Analytika Tool**
 - TrustADF produce accurate, secure, and up-to-date statutory and analytical reports, addressing ongoing regulatory changes, optimizing business operations, and ensuring compliance with increasingly stringent regulations.
- **KRA Dashboards**
- **Graphical Dashboards**

Key Functionality: of TrustADF

- **Data Warehouse Creation:** Establishes a central repository for diverse data sources, ensuring efficient, secure storage, and facilitating data sharing for improved business decision-making.
- **ETL Tool:** Facilitates the extraction and loading of data into the Data Warehouse from various operational databases, a crucial aspect of data warehouse management.
- **Trust MDM (Master Data Management) Tool:** Manages master data by correcting errors and filling missing data items, supporting master data management by eliminating duplicates and ensuring data standardization.
- **Transforming- Cleaning and Conforming:** Processing data to improve its quality, format it, merge from multiple sources, enforce conformed dimensions, Data cleansing.
- **Extracting:** Gathering raw data from source systems and storing it in ETL staging environment, Data profiling, identifying data that changed since last load.
- **Data Loading:** Loading data into data warehouse tables.
- **Statutory Submission & Analysis:** TrustADF ensure timely generation of reporting for statutory submission and analysis across the Bank for sound decision support.
- **Delivery of various reports:** Delivery of various reports utilities comprising reports offered by Stat-ReportHub.

2. “SoftRecon” ATM Reconciliation:

SoftRecon is a 4-way reconciliation software eliminates invitation to Frauds due to limitation of banks to detect the money syphoned thro’ cyber and manual frauds, SoftRecon has been implemented by our company integration with CBS System.

- SoftRecon allows Banks to perform the reconciliation for many delivery channels, and vendor systems for daily transactions happening through different delivery channels like ATM (On-Us, Issuer, Acquirer), Mobile Banking, e-Wallets, POS, E-commerce.



- SoftRecon eliminates invitation to Frauds due to the limitation on banks ability to detect the money syphoned through cyber and manual frauds.
- SoftRecon helps to prevent losses to banks and disputes due to a lack of reconciliation of incomplete transactions, reversed transactions.
- The ATM e-reconciliation software help ensures that all ATM transactions (cash replenishment withdrawals, transfers and other transactions) are truly, properly and correctly represented and posted in branch books of accounts.
- The reconciliation system has also become necessary to reconcile ATM cash balances.

About SoftRecon

- File Import (NPCI/Switch/EJ Log Files).
- Reconciliation for Issuer/Acquirer/On-us.
- Dispute Transaction Settlement.
- Force Reconciliation.
- Daily Settlement.

Key Functionality: for SoftRecon

Reports: ATM Ledger, File Transaction, Batch Transaction, Comparison Summary, Reconciled Transaction, Unreconciled Transaction, Force Reconciliation, Entity Transaction Search, ATM Dispute Pass/Unpass, Entity wise Summary, ATM Settlement, Settlement File Data, Daily Settlement Pass/Unpass, Monthly Settlement, Pass/Unpass, ATM Transaction Ledger Report.

Settlement: Settlement Import, Settlement Import, Delete Settlement Import, Data Daily Settlement Transaction, Daily Settlement Transaction Passing, Delete Daily Settlement Unpass Transaction, Monthly Settlement Transaction Passing, Monthly Settlement Transaction Passing, Delete Monthly Settlement Unpass Transaction.

ATM Transaction Reconciliation Flow: Import Text File Data, Import CBS Data, Delete Import Data Before Process Reconcile, Data Force Reconciliation, Dispute ATM Transaction, Dispute ATM Transaction Passing, Delete Dispute ATM Transaction Un Passed Entries.

Configuration & Setup: Text File Configuration (NPCI & Switch), Entity Transaction Search Configuration, Daily settlement file Configuration.

3. “TrustAML” Anti-Money Laundering:

TrustAML platform facilitates BFSI to orient its banking operations towards governance and internal control for compliance to domestic and international statutory AML requirements. It offers a single and unified solution in real-time integration with various modules of Core Banking Solution. Also, it adds monitoring, analytical and surveillance capabilities to BFSI for financial crime detection based on the AML Alerts generated from the watch-list, KYC and configured AML exception parameters.

Key Features:	Functionality: -
<ul style="list-style-type: none"> • Customer Identification Process • Suspicious Transaction Monitoring • Case Management • Risk Categorization • Whitelisting Approval Workflow • Alerts, Notifications, Reporting • Regulatory Compliance Statements • Analytics for Suspicious Activity 	<ul style="list-style-type: none"> • Automated Data Extraction • Centralized Parameterizations • Latest Data Analysis Tools • Minimization of Total Cost of AML • Better Risk Management • Employee Awareness Training • Process Assessment & Recommendations

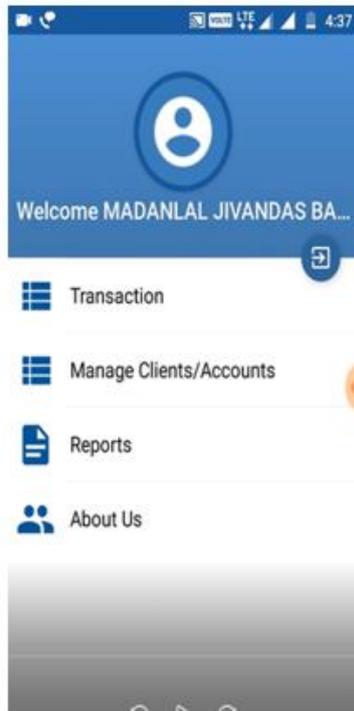
4. Agency Banking:

Trust Agency Banking offers a branchless banking solution for BFSI, enabling business growth and customer base expansion without the need for establishing branches or an expensive ATM network. The Android-based app facilitates personalized banking, doorstep services, and seamless customer acquisition through a network of agents. ‘Agency



Banking' is an android App that can be easily installed on an Agent's Smartphone with OTP based authentication on an Agent's registered mobile number and IMEI number of the smartphone. The OnField Agent Transactions are reflected real-time in CBS. The real-time SMS alert from deposit to Customer mobile for on-field transactions, brings in transparency and confidence to customers. BFSI can centrally set and control an Agent's daily collection limit, and transaction amount

Agency Banking – Mobile app



MBank - Mobile App for Customers



limit.

Key Functionality: for Trust Agency Banking
<ul style="list-style-type: none"> • 24 X 7 field operations with Value Date-based transactions • Android Mobile App for the latest OS and smartphones • Seamless integration with TrustBankCBS modules • Pre-configured scenarios based on industry best practices • Real-time access to account ledgers and balances • SMS-based transaction alerts and Bluetooth printer integration <p>Easy-to-use GUI with a secure solution and reconciliation tools</p>

5. “TrustMB” - Mobile Banking:

“TrustMB” is a comprehensive **Mobile Banking solution for Banks to offer Mobile Banking services to its customers.** TrustMB offers wide range of features and services to give Bank's customers. It offers wide range of features and services to give Bank's customers, complete control over their Banking Operations.

Key Features

- Mobile app support for Android & iOS platforms
- Open architecture with API integration to the Bank's Core Banking System (CBS)
- Compliance with ISO 8583 Messaging Protocol for seamless integration with Mobile Banking Switches
- Integration with Utility Payments Switches (e.g., BBPS) for integrated payment services
- White-labeling option for banks, allowing customization and brand representation
- Enhanced security with IS Audits and VAPT Audits before going live

Key Functionality

- **Transaction Details:** Within Bank Transfer, IMPS Transfer to Mobile Phone, IMPS Transfer to Account, NEFT Transfer to Account, Manage Beneficiaries.



- **Account Details:** Balance Enquiry, Mini Statement, Cheque book Request, Statement Request, Last 5 IMPS Transactions, Show MMID.
- **Set-up and Settings:** Verify Mobile Number, Activate User Profile, Activate MPIN, and Lock Screen
- **Other Functionality:** Alerts, Locate ATMs and Branches.

LOAN ORIGINATION SOFTWARE – “TrustLOS”

TrustLOS is a Mobile & Web based Online Interface which is being used for credit processing automation by acquisition of Loan Applications. It consists of pre-configured work-flows for Credit Scoring, Documents Checklists and facilitates a uniform, and quick Appraisals process. TrustLOS is an online loan processing interface for BFSI in India.

Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel. To meet the space for the Potential employees over the next three years, we are strategically planning to establish an additional facility in Mihan SEZ, Nagpur admeasuring area of 8093.71 square meters. This expansion aims to provide ample space for our expanding team.

SAP B1 Add-ons developed by TFL

We have Successfully Delivered the following Add-On Solutions: -

1. GST Suvidha Add-on

This add-on is tightly integrated with SAP Business One, making it easy to automate GST returnfiling. It is used for compilation & generation of GST data from SAP B1 Transactions and pushed to SOFTGST (Trust ASP & GSP) for the preparation of GSTR1, GSTR 3B data.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Export data to Soft GST portal • Export data based on GSTN location, segments and date wise • Dashboard of consolidated GSTR 1 and GSTR 2 data with gross amount, turnover amount, taxable income. • Can view B2B and B2C data separately. 	<ul style="list-style-type: none"> • GSTR 1 report • GSTR 2 report • Dashboard

2. E-invoicing Add-on

This add-on is tightly integrated with SAP Business One, making it easy to automate the generation of IRN.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Generates IRN for Sales invoices, Sales Credit memo, Debit memo • Generates E-way bill • Tracks E-invoice status • Complies with GSTN e-invoice regulations 	<ul style="list-style-type: none"> • Invoice print with QR code • Pending IRN generation report • Generated IRN transaction report

3. PDC Management Add-on

This add-on is used for the management of Post Dated Cheques. It is easy to use and can be integrated with your existing SAP Business One system.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Create post-dated checks • Track post-dated checks • Discount post-dated checks • Calculate interest on deposited cheques. 	<ul style="list-style-type: none"> • Trail Balance report with PDC • Customer & vendor wise PDC report • PDC due date report.



4. Payroll Add-on

Trust Payroll is a payroll processing, it offers very high flexibility in defining various allowances, deductions, leave rules etc. for company employees. This system stores a complete record of the employees, generates Pay-slips and Attendance Register, computes all allowances and deductions and generates all Statutory and MIS reports.

Functional Overview:	Income Tax Modules:	Reports:
<ul style="list-style-type: none"> Employee wise payroll setting Bonus configuration Periodical salary configuration Employee Loan / Advancemaster Formula builder Salary Accounts posting Leave configuration with earning heads Budgeted Vs. Actual comparison Salary heads mapping with accounts heads CTC setting Employee Salary structure Monthly Challan information 	<ul style="list-style-type: none"> Income tax payment configuration Income tax slab Define section heads IT heads creation Employees rebates / saving entry Project Cash Flow Management Employees perks and other income entry Form 24Q generation 	<ul style="list-style-type: none"> Monthly salary statement / Slip Summary salary statement Monthly attendance report Bank statement Monthly Statement / Challan (PF, PT, ESIC) Employee Gratuity report Leave Encashment statement Monthly overtime statement Loan / Advance ledger Full and Final Settlement Leave ledger Arrears Statement Provision of Statutory Reports (Form 2, 12A, 3A etc.)

5. Procurement Add-on

For handling complete procurement cycle before generation of purchase order with the below features.

Functional Overview:	Reports:
<ul style="list-style-type: none"> Auto Generation of Purchase Requisition Auto Generation of Purchase Enquiry Quotation Comparison Auto Generation of Purchase Order based on Quotation 	<ul style="list-style-type: none"> Bill of Material based reports Procurement process status report Vendor information

6. Maintenance Management Add-on

Functional Overview:	Reports:
<ul style="list-style-type: none"> Defining Machine Master, Preventive Activity Master with Frequency Generation of Schedule for Preventive Maintenance Activities Job Card Generation for Breakdown Activity Job Card Approval Permit Application & Permit Issue Machine Isolation Master & Isolation Details 	<ul style="list-style-type: none"> List of Open/Closed job cards Job Card Register Permit Issue Pending Preventive Maintenance Activities Machine wise costing Contactor wise work details against job card for billing purpose

7. Fixed Asset Add-on



For handling complete process of life cycle of a fixed asset from its inception in a company's book of account to its retirement with the below features.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Asset definitions • Depreciation calculation as per different act <ul style="list-style-type: none"> ✓ Income Tax Act ✓ Company Act • Addition of Value to existing Asset • Depreciation Calculation as per Fiscal Year & as per Working Days 	<ul style="list-style-type: none"> • Fixed Asset Register • Lifecycle Management of fixed asset from Acquisition • Movements to Retirement including Transfers.

8. Plant Performance Monitoring Add-on

For handling complete process of recording of daily power generation, loss of generation & other parameter monitoring with the below features.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Daily recording of hourly power Generated • Daily recording of Loss of Power Generation with Reasoning • Auxiliary Consumption • WTP Parameters • Recording of coal GCV as per batch • GCV Master • Daily Performance Entry • WTP Process Parameter(s) Entry 	<ul style="list-style-type: none"> • Daily generation • Loss of generation • Auxiliary consumption • Daily plant performance reports • Daily Plant Report (WTP) • Performance Report (DPR and WTP) • Previous And Current Year Comparative Performance

9. Sugar Plant Operation Add-on

This add-on provides a comprehensive solution for monitoring and managing Sugar production process.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Location Master • Season Master • Shift master • Component Master • Component wise Level Master • Brix Specific Gravity Master • Quantitative Accounting Data • Other Miscellaneous Data 	<ul style="list-style-type: none"> • Daily Process Stock Position • Related Transaction – Posting • Sugar DMR • Sugar DMR Cumulative • Weekly Sugar Operation

10. Distillery Plant Operation Add-on

The Distillery Plant Management Add-on is designed to help distillery plant operators improve efficiency, productivity, and profitability.

Functional Overview:	Reports:



<ul style="list-style-type: none"> • Daily recording of Generated item • Daily recording of Loss • Auxiliary Consumption • Track production data 	<ul style="list-style-type: none"> • Daily generation • Loss of generation • Item consumption • Daily performance reports
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11. Production & Subcontracting Add-on

This add-on provides a comprehensive solution for managing production and subcontracting processes in SAP Business One.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Planning and scheduling production • Dashboard of production status • Tracking production orders • Subcontracting production to vendors • In single screen we can manage all production related activity • Labour and resources billing management • To enter item costs for an item with standard cost valuation 	<ul style="list-style-type: none"> • Bill of Material based report • Inventory report • Production status report • Generation of REG 32 report • Generating subcontracting reports • Material costing report

12. Subcontracting – Vendor & Customer Add-on

The objective of this add-on is to provide a comprehensive solution for managing sub contracting processes in SAP Business One.

Vendor Sub-contracting	Customer Sub-contracting	Reports
<ul style="list-style-type: none"> • Generate processing Challan. • Receipt of Unprocessed Material/Cancellation of Challan • Receive processed material from subcontractors. • Ability to maintain multiple subcontracting BOMs for the same item • Mapping of items with subcontractors (BOM mapping) • Obtain scrap materials from subcontractors • Reports for checking stocks lying at sub-contractor • Report for Challan/ Item Wise Reconciliation • Payment to Sub-Contractor 	<ul style="list-style-type: none"> • Receive goods from the customer. • Return all goods that have not been processed. • Conduct production/assembly operations • Return the processed goods to the customer. • Creation of a labour invoice with reference to the customer's challan number. • Reports for stock/challan reconciliation 	<ul style="list-style-type: none"> • Bill of Material based report • Inventory report • Production status report • Generation of REG 32 report • Generating subcontracting reports • Generation of REG 32 challan

13. Quality Check Add-on

The SAP Business One Quality Add-on is a comprehensive solution that helps businesses improve their quality management processes.

Functional Overview:	Reports:
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<ul style="list-style-type: none"> • Parameter Master • Inward Inspection • Initial Stage Inspection • In-Process Inspection • Final Stage Inspection 	<ul style="list-style-type: none"> • Inspection report • Quality failed report • Quality check activitytracking report
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14. Design Customization Add-on

To provide a comprehensive solution for customers to design and develop their own products.

Functional Overview: <ul style="list-style-type: none"> • Offer letter generationbased on sales enquiry • Automatic BOM generationbased on machine drawing • Automatic bill of materialgeneration • Procurement process • Order management 	Reports: <ul style="list-style-type: none"> • New item generation reportbased on Bill of Material • Drawing revision report • Procurement reports • Stock report • Material costing report
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15. CRM Add-on

In the CRM web portal, sales employees can add sales quotations and sales orders, which areintegrated with SAP. Additionally, the portal provides features for downloading invoices and generating customer aging reports and sales analysis reports.

Functional Overview: <ul style="list-style-type: none"> • sales quotation and sales order which integrated withSAP • Add sales quotations andsales orders through web portal 	Reports: <ul style="list-style-type: none"> • Invoice downloading • Customer ageing report • sales analysis
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16. AMC Management Add-on

The AMC Management Add-on for SAP Business One provides a comprehensive solution formanaging asset maintenance and repair. The add-on includes features for tracking assets, scheduling maintenance, generating work orders, and managing costs.

Functional Overview: <ul style="list-style-type: none"> • AMC Contract generation • Revenue management • Service call management • Work order generation: Theadd-on allows you to generate work orders for maintenance tasks. 	Reports: <ul style="list-style-type: none"> • AMC Contract • Yearly AMC distributionreport • Service call report • AMC due date report
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17. Bank Reconciliation Add-on

This is a customized bank reconciliation process with a provision of import of bank statement & entry of actual bank transaction date for necessary reconciliation.



18. LC (Letter of Credit) Management Add-on

For handling complete process of LC (Letter of Credit) Management for Inter Group companies for Centralized Imports Procurement with the below features.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Provision to define the LC type as Confirmed, Un confirmed • Provision to define Bank Details • To define various users as PFI Users, LC Applicant User, LC data Update Users • Entry provision for such as Details M Form, PFI details, Letter of Credit details etc. • Generation of Shipment Advice, costs of maintenance and repair activities • costs of maintenance and repair activities. 	<ul style="list-style-type: none"> • Utilization of the Credit Facility Company wise / Bank Wise • Interest Charges for each LC processed and at company level • Report Indication M-Form / LC validity / tenure dates etc.

19. Integration with Weigh-Bridge Add-on

This is a customized utility for recording the weight and hence quantity measured at weigh bridge at the receipt gate of the company and seamlessly integrated with GRPO document generation in the system.

20. Gate Pass Generation Add-on

This is a customized utility for generation of necessary gate pass at the receipt gate.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Creating gate passes • Tracking gate passes • Inward Gate Pass • Outward Gate Pass • Inter Branch Requisition 	<ul style="list-style-type: none"> • Generating reports on gate passes

21. SMS Integration Add-on

Trust SMS is a customized utility which enables users & business partners to get alerts on his mobile generated & sent from the system with the below features.

Functional Overview:	Reports:
<ul style="list-style-type: none"> • Enable the users to receive alert messages even when he has no access to the system. • SMS alert can be sent to more than one user at a time • Alerts can be predefined for different department users & management. • Auto SMS to Vendor's / Customer's contact person after adding any outgoing / incoming payment • Auto SMS for Due Date Reminders for 'N' no of activities to concern authority. 	<ul style="list-style-type: none"> • Customised reports as per requirement

22. Cheque Printing Add-on

For cheque printing through SAP B1 with the below features.



- Cheque size configuration
- Printing configuration

23. Auto Emailer – Payment Due, Batch wise Transaction & MIS Reports Add-on

This add-on provides a comprehensive solution for automating the generation of payment due, batch wise transaction & MIS reports in SAP Business One.

Functional Overview:
<ul style="list-style-type: none"> • Automatic generation of payment due reports • Automatic generation of batch wise transaction reports • Emailing of reports to users • Automatic generation of MIS reports

24. Auto Approval Add-on – Based on B1 Approval System

In the event that the user is out of office, an e-mail and SMS will be sent to the approver with an approval link containing details of the document. The approver can click on the link to approve or reject the document through the link.

Functional Overview:
<ul style="list-style-type: none"> • Auto Approval configuration as per SAP approval process • Web portal dashboard to show approver pending list for approval • Approver can easily view the details of document and give decision.

INSURANCE:

Sr. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Lakhs)
1.	National Insurance Company Limited	Fire & Special Perils & Earthquake- Building, Fire & Special Perils & Earthquake – Office Contents, Burglary & Housekeeping, Plate Glass, Money in Transit, Public Liability.	282200592310000316	23/02/2025	Rs. 5,03,85,000* ¹
2.	ICICI Lombard General Insurance Company Limited	Group Health (Floater) Insurance	4016/X/203257436/03/000	04/08/2024	Premium amount of Rs. 4,10,000 and the insured amount is Rs. 3,51,00,000

Notes: -

1. Bifurcation of Sum insured: -

Sr. No.	Sections	Sum Insured/ Limit of Liability
1.	Fire & Special Perils & Earthquake Building	Rs. 1,00,00,000
2.	Fire & Special Perils & Earthquake Office Contents	Rs. 2,00,00,000
3.	Burglary & housekeeping	Rs. 2,00,00,000
4.	Plate Glass	Rs. 1,85,000
5.	Money in Transit	Rs. 1,00,000
6.	Public Liability	Rs. 1,00,000

8. Marque Clientele



Our Company services marquee customers through our Core Banking Solutions and ERP Solutions has been able to form a portfolio of renowned customers in private as well as in public sectors, some of them are provided below-

Sr. No.	Solution Provided	Name of Client
1.	Marquee Clients of "TrustBankCBS" from different Segments,	<ul style="list-style-type: none"> • International Bank of Liberia, Monrovia (Liberia) – Commercial Bank • Pune Peoples Co-Operative Bank, Pune - Urban Co-Op. Bank • Muslim Co-Operative Bank, Pune - Urban Co-Op. Bank • Gandhibagh Sahkari Bank, Nagpur - Urban Co-Op Bank • Kashipur Urban Bank, Kashipur - Urban Co-Op. Bank • The Bantra Co-Operative Bank, Howrah West Bengal - Urban Co-Op. Bank • Gadchiroli District Central Co-Operative Bank, Gadchiroli (Maharashtra) – DCC Bank • Chandrapur District Central Co-Operative Bank, Gadchiroli (Maharashtra) – DCC Bank • Mumbai District Central Co-Operative Bank, Mumbai (Maharashtra) – DCC Bank • URA SACCOS, Dar Es Salam (Tanzania) – Credit Union • Berendina Micro Investment Co. Ltd., Colombo (Sri-lanka) – Microfinance Co. • Supersonicz The Micro-finance, KSMD (Gambia) – Microfinance Co. • NABARD Financial Services Ltd., Bengaluru (Karnataka) – NBFC • Parijat Co Operative Credit Society Ltd., Vashi Mumbai (Maharashtra) – Credit Society
2.	Marquee Clients of "MicroFinS" from different Segments,	<ul style="list-style-type: none"> • Tumaini SACCOS, Arusha (Tanzania) - SACCOS • Nyumbu SACCOS, Dar Es Salam (Tanzania) – SACCOS • WINO SACCOS, Dar Es Salam (Tanzania) – SACCOS • Moshi Rural Teachers SACCOS, Dar Es Salam (Tanzania) – SACCOS
3.	Marquee Clients of "SoftGST" from different Segments,	<ul style="list-style-type: none"> • Bank of Maharashtra, Pune - Public Sector Bank • COSMOS Bank, Pune - Multi State Scheduled Bank • Saraswat Bank, Mumbai - Multi State Scheduled Bank
4.	Clients of "SAP Business One and Add-on Modules" from different Segments,	<ul style="list-style-type: none"> • Manas Agro Industries & Infrastructure Limited, Nagpur (Maharashtra) • Lasenor India, Nagpur • Norte Eurocao India Pvt. Ltd. , Nagpur • Quality Power Quality Power Electrical Equipment P. Ltd., Sangli • Warade Packtech, Pune • Adama India Ltd., Hyderabad



Sr No.	Name	March 31, 2021 (in ₹)	% of the Total Revenue from Operations*
1.	MUMBAI DISTRICT CENTRAL CO-OP BANK LTD	939.20	39.22%
2.	Nabfins Ltd	416.96	17.41%
3.	The Chandrapur DCC Bank Ltd	270.38	11.29%
4.	The Gadchiroli DCC Bank LTD	253.52	10.59%
5.	[C0137] Berendina Microfinance Institute	53.47	2.23%
6.	[C0192] Digital International Bank Inc	47.62	1.99%
7.	Kashipur Urban Co-Operative Bank Ltd	27.36	1.14%
8.	Customer 8	26.28	1.10%
9.	VARDHAMAN NAGARI SAHAKARI PATSANSTHA MARYADIT	24.90	1.04%
10.	[C0198] Sofia Credit	20.54	0.86%
	Total	2,080.23	86.87%

*The % has been derived by dividing the total amount received from the said customer with the total Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

INTELLECTUAL PROPERTY:

S.NO	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.	 Loan Origination System	-	6329089	Under class 9	Applied
2.	 GST Computation	-	6329090	Under class 9	Applied
3.	 Micro Finance	-	6329091	Under class 9	Applied
4.	 Core Banking System	-	6329092	Under class 9	Applied

In addition, Issuer Company has also applied for their LOGO under class 9 and class 35 as follows: -

S.NO	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.		-	6329092	Under class 9	Applied
2.		-	6329093	Under class 35	Applied



OUR MANAGEMENT

Dr. Kapil is the consultant to the CEO office at the National Skill Development Corporation. Dr. Kapil is having experience in strategic communication, stakeholder engagement, and sustainable development. He also works as Resource person, Researcher and Theme writer for training related to Sustainable Development Goals (SDGs), District Human Development Report with YASHADA Pune & Water Safety Plan, NEERI & WHO. He has been Strategic Communication Consultant for various project like 'Nagpur Metro Rail Project' since Jan 2015, Nagpur Smart City Project' since July 2015, 'Nagpur 24x7 Water Supply Project' since 2010. He also works as Resource person, Researcher and Theme writer for training related to Sustainable Development Goals (SDGs), District Human Development Report with YASHADA Pune & Water Safety Plan, NEERI & WHO. He is a Founder President of Not-for-Profit Advocacy and Research Organization Centre for Development Research.

Mr. Prasad Annaji Dongarkar, aged 53 years, is the non-executive director on the board of Trust Fintech Limited. Mr. Prasad holds degree in Bachelor of Engineering (Instrumentation). He is having experience of 18 plus years in providing Consultancy, Awareness & Advance trainings, and Management System Assessment in facilitations, trainings & assessments of various management systems. Mr. Prasad is associated with various certification agencies like DQS, DNV, SGS for delivery of audits and trainings. He Conducted over 400 in house & open house-training programs Functional Safety professional - Trainer, assessor & auditor. He served in the field of third-party assessment of Customers.



OUR GROUP ENTITIES

3. Shri Renuka Roadlines

Shri Renuka Roadlines is in the business of providing SUVs pre-installed with concrete testing machines to cement companies on a rental basis. Additionally, it is also doing business of providing Tourist taxi.



SECTION X - LEGAL AND OTHER INFORMATION

GOVERNMENT AND OTHER APPROVALS

INTELLECTUAL PROPERTY:

S.NO	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.	 Loan Origination System	-	6329089	Under class 9	Applied
2.	 GST Computation	-	6329090	Under class 9	Applied
3.	 Micro Finance	-	6329091	Under class 9	Applied
4.	 Core Banking System	-	6329092	Under class 9	Applied

In addition, Issuer Company has also applied for their LOGO under class 9 and class 35 as follows: -

S.NO	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.		-	6329092	Under class 9	Applied
2.		-	6329093	Under class 35	Applied



SECTION IX: FINANCIAL STATEMENTS

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

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 245 of the Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

Macroeconomic factors affecting the operations of the Company

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Fluctuations in exchange rates, potentially impacting profit margins.
- Changes in regulatory requirements for core banking solutions
- Significant developments in India's economic and fiscal policies;
- Volatility in the Indian and global capital market.
- Evolving regulatory requirements in the banking and IT sectors to ensure compliance and avoid penalties.
- Rapid evolution or ever-changing technology upgradation.

Microeconomic factors affecting the operations of the Company

- Ability to retain our skilled personnel;
- Performance of Company's competitors;
- ability to retain existing clients and attract new ones can significantly impact our revenue and market share;
- Monitoring and analyzing the performance of competitors in the market to stay competitive and identify areas for improvement;
- Constant monitoring of emerging technologies.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

Net Profit after Tax and Extraordinary items

Rational for Increase in PAT Margins in Stub Period i.e September 30, 2023 from F.Y 2023 to are as follows:

- A) We have received good number of orders in March & April 23 which were executed in first half of FY 23-24.
- B) The customization for order received from partner Internet soft USA for implementation of CBS in credit union happened mostly in first half of 23-24. As per milestone completion, customization billing happened in first half of FY 23-24. Our California USA sales leads to increase in our Global Sales by ₹ 218.12 Lakhs and 102.88% from ₹ 212.02 Lakhs in the fiscal year ended March 31, 2023 to ₹ 430.14 Lakhs in Stub Period i.e September 30, 2023.
Additionally, Since the development cost for this license is already happened in past, this license sold as a one-time License which directly increased profit of company by 3 Cr. Additionally company will provide AMC to them with one-time license fee.
- C) As practice following the resources (Salary) cost is booked to intellectual property as capital work in progress in the current financial year with respect to
- New updates, technology updates in existing TrustBankCBS, MicroFinS.
 - Employed additional 30 resources from March to Sept 23 for development of new modules. Salaries of Resources deployed on design, development of Identified 10 different version / applications carved out of available basic modules.



Accordingly, Company has capitalized the development expenses, i.e salaries of the employees amounting to Rs. 150.00 Lakhs in the Stub period i.e September 30, 2023.

- D) Earlier Company have developed data migration tool to migrate old data from legacy software in previous year. By this Issuer company could complete the entire CBS switch over in three months which earlier took close to 6 months for migration of legacy system to TrustBankCBS. In the year 2021-22 company have prepared first version of migration tool / utility. In this further fine tuning such as data integrity check, data type validation, data validation was added so the data checking time by user is reduced. The Migration tool development which started in 21-22 is now matured and provides more accurate results with better automation. This has reduced skilled DBA manpower requirements, now any tech support executive with little knowledge of database can complete migration efficiently there by reducing manpower time and cost which lead to reduction in migration / implementation / go live time thereby reducing time to go live resulting in reduction in cost of implementation and increasing profitability.

Overall, these efficiencies in implementation and billing processes contributed to increase in operating margins, thereby leading to an enhanced PAT margin for the Company.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2022

Income

In FY22-23, the company has made higher revenue due to various reasons. The first reason was COVID recovery started to happened in FY23 due to which banks have started placing more orders and company has observed high demand in their products and services. Secondly, RBI has removed the moratorium and further restriction from the banks which were applied during covid times. Due to the removal of these restrictions, the 'CBS' product of our company has shown good demand and the implementation rate was very high. Lastly, the company has received its first international order from USA which has further supported the revenue in FY22-23.

Net Profit after Tax and Extraordinary items

The major cost for any IT company is 'Development Cost' viz Employee Cost. i.e. development of migration tool to transfer old data from legacy software (legacy software is the software through which our new client was operating before reaching to us) to our CBS software. We have developed data migration tool to migrate old data from legacy software to our CBS software which reaped the benefit in this year, as company is able to do initial stage of migration of data in 10 to 15 days compared to previous i.e 3-4 months (*Company is able to do stage 1 Migration in less time out of three stages in total migration*) which has lead to reduction in human resource cost. Further, due to early migration of the client's data from its erstwhile software provider to us the billing cycle has been reduced and hence early payment is received by our company.

One of the more reasons in increase in PAT Margin is the decision by the company to capitalize the development expenses, i.e salaries of the employees amounting to Rs. 175.12 Lakhs in the fiscal year ending on March 31, 2023. In comparison with the fiscal year ending on March 31, 2022, where no such capitalization of employee salaries occurred. By capitalizing these salaries, bottom line of the company has been improved.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2021

Net Profit after Tax and Extraordinary items

The fluctuation in revenue and PAT in FY 2022 compared to FY 2021 can be attributed to the adverse effects of the COVID-19 pandemic. Most of our customers are Cooperative Banks due to Covid-19 NPA has been increased at Banks and RBI have put restrictions on cooperative Bank's purchase decisions, as a result of new orders were not signed during this period. Further because of moment restrictions till Sept 21 we could not complete onsite implementations for the orders received prior to COVID. The salary expenses continued to be almost same hence profit margin declined.