



SECUR CREDENTIALS LIMITED

Our Company was originally incorporated as a private limited company under the provisions of The Companies Act, 1956 as 'Axis Resources Private Limited' on August 14, 2001, with the Registrar of Companies, Mumbai, Maharashtra. Subsequently the name of our Company changed to 'SecUR Credentials Private Limited' in the financial year 2016, the company received a fresh certificate of incorporation on July 18, 2016 issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted from Private Limited Company into a Public Limited Company pursuant to approval of shareholders at Extra-Ordinary General Meeting held on July 19, 2017, and in pursuance of which the 'private' word had been deleted from the name of our Company, effecting the name change to 'SecUR Credentials Limited', and a fresh certificate of incorporation consequent upon change of name being issued by the Registrar of Companies, Maharashtra on July 27, 2017. The Equity Shares of our Company got listed on November 13, 2017, with NSE Emerge and on October 17, 2022, with NSE main Board and BSE Limited. For further details, kindly refer to the section titled '**General Information**' beginning on page 36 of this Draft Letter of Offer.

Corporate Identification Number: L74110MH2001PLC133050;

Registered Office: Prism Tower, 'A' Wing, 8th Floor, Unit No. 5, Off Link Road, Mindspace, Malad (West), Mumbai – 400064, Maharashtra, India;

Contact Number: +91 22 6904 7100; **Contact Person:** Mr. Rahul Belwalkar, Managing Director and Compliance Officer;

Email-ID: complianceofficer@secur.co.in **Website:** www.secure.co.in;

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY

THE PROMOTER OF OUR COMPANY IS MR. PANKAJ RAMESH VYAS.

Rights Issue of up to [•] Equity Shares at an issue price of Rs [•]/- (**Rupees [•] Only**) per Equity Share (including a premium of □[•]/- (Rupees [•] only) per Equity Share) (**'Issue Price'**) (**'Right Shares'**) for an amount up to □ **4,990 Lakhs (Rupees Four Thousand Nine Hundred Nindyl Lakh Only)** on a Rights Issue basis to the Eligible Equity Shareholders of SecUR Credentials Limited (**'Issuer Company'**) in the ratio of 1(One) Right Shares for every 1(One) Equity Shares held by such Eligible Equity Shareholders as on [•] being the Record Date (**'Rights Issue'**). For further details, kindly refer to the section titled '**Terms of The Issue**' beginning on page 142 of this Draft Letter of Offer.

Assuming full subscription in this Rights Issue.

PAYMENT METHOD FOR THE ISSUE

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	FACE VALUE	PREMIUM	TOTAL
On Application	[•]	[•]	[•]
Total	Rs [•]	[•]	[•] %

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

We hereby confirm that neither our Company, nor our Promoter or members of Promoter Group, Directors, have been categorized as wilful defaulters or fraudulent borrowers by any banks or financial institutions (as defined under Companies Act) or consortium thereof, in accordance with the guidelines issued by the Reserve Bank of India, as on date of this Draft Letter of Offer.

GENERAL RISK

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer to '**Risk Factors**' beginning on page 18 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of our Company are listed and traded on the BSE Limited and National Stock Exchange of India Limited. Our Company has received in-principle approval from BSE Limited pursuant to its letter bearing reference number [•] dated [•] and NSE pursuant to its letter bearing reference number [•] dated [•] for listing of the Right Shares. Our Company will also make applications to the Stock Exchanges to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13' dated January 22, 2020. For this Issue, BSE Limited is the Designated Stock Exchange.

REGISTRAR TO THE ISSUE



Skyline Financial Services Private Limited

A/506, Dattani Plaza, Andheri Kurla Road,
Andheri East Mumbai – 400072;

Contact Details: +91 22 2851 1022 / 6221 5779;

Website: www.skylinerta.com;

E-mail ID / Investor grievance e-mail: Mumbai@skylinerta.com/ grievance@skylinerta.com;

Contact Person: Mr. Subhash Dhingreja;

SEBI Registration Number: INR000003241

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
[•]	[•]	[•]

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

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



(THIS PAGE IS INTENINALLY LEFT BLANK)



TABLE OF CONTENTS

SECTION I - GENERAL	3
DEFINITIONS AND ABBREVIATIONS	3
NOTICE TO OVERSEAS INVESTORS	10
PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA	12
FORWARD LOOKING STATEMENTS.....	13
SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER	14
SECTION III – RISK FACTORS.....	17
SECTION IV – INTRODUCTION	34
THE ISSUE	34
GENERAL INFORMATION.....	35
CAPITAL STRUCTURE.....	39
SECTION V – PARTICULARS OF THE ISSUE	42
OBJECTS OF THE ISSUE.....	42
STATEMENT OF TAX BENEFITS.....	45
SECTION VI – ABOUT OUR COMPANY	46
INDUSTRY OVERVIEW	48
BUSINESS OVERVIEWp	53
HISTORY AND CORPORATE STRUCTURE	59
OUR MANAGEMENT	65
PROMOTERS/ PRINCIPAL SHAREHOLDERS	71
DIVIDEND POLICY.....	72
SECTION VII – FINANCIAL INFORMATION	73
ACCOUNTING RATIOS	113
STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY	115
SECTION VIII – LEGAL AND OTHER INFORMATION	117
KEY INDUSTRY REGULATION AND POLICES.....	117
OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS	123
GOVERNMENT AND OTHER APPROVALS.....	126
OTHER REGULATORY AND STATUTORY DISCLOSURES	128
SECTION IX – ISSUE INFORMATION	134
TERMS OF THE ISSUE.....	134
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	162
SECTION X – OTHER INFORMATION	163
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	164
DECLARATION.....	165



SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

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

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’, or similar terms are to SecUR Credentials Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

*The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘**Industry Overview**’, ‘**Statement of Tax Benefits**’, ‘**Financial Information**’, ‘**Outstanding Litigations, Defaults, and Material Developments**’ and ‘**Terms of the Issue**’ on page 47, 45, 72, 122 and 133 respectively, shall have the meaning given to such terms in such sections.*

CONVENTIONAL/ GENERAL TERMS

Term	Description
AY	Assessment Year;
AoA/ Articles of Association	The Articles of Association of SecUR Credentials Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with the provisions of Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations, and as described in the section titled ‘ Our Management ’ beginning on page 64 of this Draft Letter of Offer;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Year ending March 31, 2023, March 31, 2022, and March 31, 2021;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. S D Mehta & Co., Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Company Secretary	The Company Secretary of our Company;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Ashish Ramesh Mahendrakar;
Director(s)	Mr. Ashish Ramesh Mahendrakar, Mr. Amit Kumar Bharti, Mr. Mithun Lalitkumar Kothari, Mr. Prateek Jain, Mr. Jaykishan Darji and Mr. Shireen Khan
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of SecUR Credentials Limited as on the Record Date;
Executive Director	Executive director(s) on our Board, please refer to section titled ‘ Our Management ’ beginning on page 64 of this Draft Letter of Offer;
Equity Shares	Equity share of the Company having face value of ₹ 10.00 (Rupees TenOnly);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ‘ Our Management ’ beginning on page 64 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE195Y01010;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ‘ Our Management ’ beginning on page 64 of this Draft Letter of Offer;
Managing Director and Compliance Officer	Managing Director and Compliance Officer being Mr. Rahul Belwalkar
Materiality Policy	The Policy adopted by our Board in its meeting dated November 14, 2022, for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI



Term	Description
	(ICDR) Regulations.
MoA/ Memorandum of Association	The Memorandum of Association of SecUR Credentials Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013;
Promoter	Mr. Pankaj Ramesh Vyas.
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with Stock Exchanges under the SEBI (LODR) Regulations i.e Mrs. Vaishali Pankaj Vyas, Mr. Urvesh Janak Vyas, Mrs. Vijaya Ben Rameshchandra Vyas And Mr. Kalpesh Ramesh Vyas. ;
Registered Office	Prism Tower, 'A' Wing, 8 th Floor, Unit No 5, Off Link Road, Mindspace, Malad(West), Mumbai, Maharashtra-400064, India
Restated Consolidated Summary Statements	Restated summary statements of our Company comprising of the restated statement of assets and liabilities as at March 31, 2023, March 31, 2022, and March 31, 2021, and restated summary statements of profit and loss (including other comprehensive income), and restated summary cash flows and restated summary statement of changes in equity for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the consolidated summary statement of significant accounting policies, and other explanatory information of our Company, derived from audited financial statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI (ICDR) Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.
SecUR Credentials Limited/ the Company/ our Company	SecUR Credentials Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time;
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	The stock exchanges where the Equity Shares are presently listed, being BSE Limited and National Stock Exchange of India Limited;

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
B2B	Business-to-business
B2C	Business-to-consumer
CAGR	Compound Annual Growth Rate;
CE	Capital Economics;
CII	The Confederation of Indian Industry;
DPIIT	Department for Promotion of Industry and Internal Trade
EDP	Entrepreneurship Development Programme;
FDI	Foreign Direct Investment;
FICCI	Federation of Indian Chambers of Commerce and Industry;
FIPB	Foreign Investment Promotion Board;
FY	Financial Year;
GDP	Gross Domestic Product;
GMP	Good Manufacturing Practices;
GST	Goods and Services Tax;
HRD	Human Resource Development;
ICE	Internal combustion engine
IBEF	India Brand Equity Foundation;
IMF	International Monetary Fund;
ISO	International Organization for Standardization;
JV	Joint Venture;
M&A	Mergers and Acquisitions;
MNC	Multi National Company;
MOUs	Memoranda of Understanding;
NABARD	National Bank for Agriculture and Rural Development;
NOC	No Objection Certificate;
OECD	Organisation for Economic Cooperation and Development;



Term	Description
OEM	Original equipment manufacturers;
OHSAS	Occupational health and safety assessment series;
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;
One Trillion	One Crore Lakhs;
PE	Private Equity;
POS	Point of Sale;
SEZ	Special Economic Zone;
Sq. ft.	Square Foot;
TQM	Total Quality Management;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic Outlook

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Rights Shares	The Rights Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Equity Shares pursuant to the Issue;
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Account Bank	The bank which is a clearing member and registered with SEBI as bankers to an issue and with whom the Allotment Account will be opened, in this case being, [●].
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Investors who have been or is to be Allotted the Rights Shares pursuant to this Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	Persons to whom Right Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer/Letter of Offer, being an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form made available through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for a Rights Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue



Term	Description
	and the Bankers to the Issue for collection of the Application Money, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue, and which is described in ' <i>Terms of the Issue</i> ' beginning on page 133 of this Draft Letter of Offer;
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form;
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in_tmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Designated Stock Exchange	The stock exchanges where the Equity Shares are presently listed, being BSE Limited and National Stock Exchange of India Limited;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This Draft Letter of Offer dated 06 th October, 2023 filed with BSE Limited and NSE in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Issue/ Rights Issue	Rights Issue of up to [●] Equity Shares of face value of ₹ 10.00 (Rupees Ten Only) each of our Company for cash at a price of Rs [●] per Rights Equity Share not exceeding ₹ 4,990 Lakhs (Rupees Four Thousand Nine Hundred Ninety Lakhs only) on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 1 Rights Equity Shares for every 1 Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●];
Issue Closing Date	[●];
Issue Materials	The Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Forms, including any notices, corrigendum thereto;
Issue Opening Date	[●];
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	1 per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹ [●]/- (Rupees [●] only) per Rights Equity Share, including a premium of ₹ [●]/- (Rupees [●] only) per Rights Equity Share);
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Shares	Up to [●] Rights Shares;
Issue Size	Amount aggregating up to ₹ 4,990 Lakhs (Rupees Four Thousand Nine Hundred Ninety Lakhs only) (<i>Assuming full subscription with respect to Rights Shares</i>);
Letter of Offer/ LoF	The Final Letter of Offer to be filed with BSE Limited and NSE after incorporating the observations received from BSE Limited and NSE on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see ' <i>Objects of the Issue</i> ' beginning on page 41 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA	Investors other than ASBA Investors who apply in the Issue otherwise than through the



Term	Description
Applicant	ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which 100% (100 Per cent) of the Issue Price is payable on Application, i.e., [●] (Rupees Twelve Only) per Rights Share;
Physical Equity Shareholders	Eligible Equity Shareholders holding Equity Shares in physical form shall be termed as Physical Equity Shareholders;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●];
Refund Bank	The Banker to the Issue with the Refund Account will be opened, in this case being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar to the Issue	Skyline Financial Services Private Limited;
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date i.e. [●];
Retail Individual Investors/ RIIs	Individual Investors who have applied for Equity Shares for an amount not more than ₹ 2,00,000.00/- (Indian Rupees Two Lakhs) (including HUFs applying through their Karta);
Rights Entitlement (s)/ REs	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being 1(One) Right Equity Shares for every 1 (One) Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN '[●]' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible and on the website of our Company;
Rights Shares	Equity shares of our Company to be Allotted pursuant to this Rights Issue, on partly paid-up basis on Allotment;
Self-Certified Syndicate Banks/ SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited and National Stock Exchange Limited;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person, as the case may be, categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation



Term	Description
	2(1)(III) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, a working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI;

ABBREVIATIONS

Term	Description
ADR	American Depository Receipt;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
ASBA	Application Supported by Blocked Amount;
AY	Assessment Year;
Bn /b.n	Billion
BSE	BSE Limited;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996;
DIN	Director Identification Number;
DP	Depository Participant;
DP ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EEA	European Economic Area;
EPS	Earnings Per Share; (Total Earnings / Outstanding Shares)
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	Foreign Portfolio Investors;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY/ Financial Year/ Fiscal Year/ Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GDR	Global Depository Receipt;
GNPA	Gross Net Performing Assets;



Term	Description
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act / IT Act	Income Tax Act, 1961;
Ind AS	Indian Accounting Standards;
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles in India;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
Mn / mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value; (Value of Assets – Value of Liabilities / Total Number of Outstanding Shares)
NEFT	National Electronic Fund Transfer;
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect;
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Account Non-resident external account;
NRI	Non-resident Indian;
NRO	Non-resident ordinary account;
NSDL	National Securities Depository Limited;
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body;
P.A/ p.a.	Per Annum;
P/E Ratio	Price/Earnings Ratio (Share Price / EPS);
PAN	Permanent account number;
PAT	Profit after Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RONW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956, and amendments thereto;
SCRR	Securities Contracts (Regulation) Rules, 1957, and amendments thereto;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992, and amendments thereto;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and amendments thereto;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and amendments thereto;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
STT	Securities transaction tax;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;



NOTICE TO OVERSEAS INVESTORS

The distribution of Issue Material, and the Issue of Rights Entitlement and Right Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Shareholders as on Record Date and will dispatch through email and courier the Issue Materials to such Eligible Shareholders who have a registered address in India or who have provided an Indian address to our Company. Investors can also access the Issue Material from the websites of the Registrar, our Company, and on Stock Exchanges. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with BSE Limited and NSE for observations. Accordingly, the Right Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under such circumstances, Issue Material must be treated as sent for information purposes only and should not be acted upon for subscription to Rights Entitlement and Right Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Material should not, in connection with this Issue of the Right Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Right Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Right Entitlements or Right Shares will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Right Entitlements or Right Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar or any other person acting on behalf of us reserve the right to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Right Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of Issue Materials nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

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

The Rights Entitlement and the Right Shares of our Company have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Letter of Offer are being offered in India, but not in the United States. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Right Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Right Shares will be deemed to have declared, represented, warranted and agreed, that:

- . That it is not and that at the time of subscribing for the Right Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
- . It does not have a registered address (and is not otherwise located) in the United States, and
- . It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.



. Our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form

Our Company reserves the right to treat as invalid any Application form which:

. Appears to our Company or its agents to have been executed in or dispatched from the United States;

. Where a registered Indian address is not provided; or

. Where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.



PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘SecUR Credentials Limited’, the/our ‘Company’, ‘we’, ‘our’, ‘us’ or similar terms are to SecUR Credentials Limited or, as the context requires, and references to ‘you’ are to the equity shareholders and/ or prospective Investors in the Equity Shares.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the audited financial statements for the year ending March 31, 2023, March 31, 2022 and March 31, 2021 of our Company prepared in accordance with Ind AS, Accounting Standards, Companies Act, 2013. For further details, please refer to the section titled ‘**Financial Information**’ beginning on page 72 of this Draft Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

Please Note:

One billion is equal to 1,000 million/100 crores;

One million is equal to 1,000,000/10 lakhs;

One crore is equal to 10 million/100 lakhs;

One lakh is equal to 100 thousand;



FORWARD LOOKING STATEMENTS

We have included statements in this Draft Letter of Offer which contain words or phrases such as ‘will’, ‘may’, ‘aim’, ‘is likely to result’, ‘believe’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘project’, ‘should’, ‘pursue’ and similar expressions or variations of such expressions, that are ‘forward looking statements’.

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

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the Changes
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products & services;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Inability to identify or acquire new clients;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, hiring patterns and the time required to train and productively utilize new employees;
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing Arrangements;
- potential mergers, acquisitions restructurings and increased competition;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ beginning on page 17 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or Registrar does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchanges’ website requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.



SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled ‘*Risk Factors*’, ‘*Objects of the Issue*’, ‘*Business Overview*’ and ‘*Outstanding Litigations, Defaults and Material Developments*’ beginning on pages 17, 41, 52 and 122 of this Draft Letter of Offer, respectively.

SUMMARY OF OUR INDUSTRY

The employee background verifying industry is one of the emerging industries. The country and its economic activity has been on the fast track to recovery this Financial Year. Most organisations have kickstarted their recruitment and hiring programs to match their growth plans. The job market has also started picking up and there is a resultant churn in headcount across organisations, which is leading to further hiring. If anything, the lockdown period has created a pent-up demand for recruitment and job changes, which has now exploded over the past year.

Apart from the traditional sectors which have always been our clients, there is now a pickup in the new age, tech-based sectors such as Edutech, Ecommerce, and across levels ranging from front line to management. In fact, one of the biggest drivers for our industry’s growth, we believe, will be the interest in specific screening solutions targeted at blue collar workers, field delivery staff, drivers and other support staff. We believe the industry will continue looking for segmented offerings, which will address needs of each of our clients, segregated by employee category. Over the decade or so, the need of background screening Industry emerges as an important tool to check the fact that employees background checks needed to an essential part of their risk mitigation and HR practices.

SUMMARY OF OUR BUSINESS

We are engaged in the business of employee background screening Industry.

For further details, please refer to the chapter titled ‘*Business Overview*’ beginning on page 52 of this Draft Letter of Offer.

OUR PROMOTER

The Promoters of our company is Mr. Pankaj Ramesh Vyas.

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹ 4,990.00
Less: Estimated Issue related Expenses	(₹ 100.00)
Net Proceeds from the Issue	₹ 4,890.00

assuming full subscription and allotment

**The Issue Size will not exceed ₹ 4,990.00 Lakhs (Rupees Four Thousand Nine Hundred Ninety Lakhs Only). If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.*

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Particulars	Amount (₹ in Lakhs)
To meet Working Capital requirements	₹ 3,892
General Corporate Purpose	(₹ 998)
Total Net Proceeds@	₹ 4,890

@Assuming full subscription in this Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

For further details, please refer to the chapter titled ‘*Objects of the Issue*’ beginning on page 41 of this Draft Letter of Offer.



SUBSCRIPTION TO THE ISSUE BY OUR PROMOTER AND PROMOTER GROUP

The Promoter of our Company, through his letter dated [●] day, [●], 2023, has confirmed that, he intends to subscribe in part or to full extent of his Right Entitlements in this Issue and to the extent of the unsubscribed portion (if any) of this Issue and that he shall not renounce his Right Entitlements in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The Promoter has confirmed that he intends to apply for and subscribe to the additional Rights Equity Shares and any Rights Equity Shares offered in the Issue that remains unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under and subject to compliance with the provisions of the Companies Act, the SCRR, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, and SEBI (SAST) Regulations.

Any such subscription for Rights Equity Shares over and above the Rights Entitlement of the Promoter may result in an increase in his shareholding percentage in the Company. The allotment of Rights Equity Shares of the Company subscribed by the Promoter in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. This Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

SUMMARY OF FINANCIAL STATEMENTS

The following table sets forth the summary financial information derived from the Audited Financial Statements, prepared in accordance with Ind AS and the Companies Act, 2013, for the Financial Year ending March 31, 2023, March 31, 2022 and March 31, 2021.

(Amount in ₹ Lakhs)

Particulars	For the Financial Year ending		
	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	4,106.28	488.84	488.84
Net Worth	4510.79	4,375.68	4,170.35
Total Income	5,135.44	5,178.13	4,400.35
Profit / (loss) after tax	778.58	205.23	(215.87)
Basic and diluted EPS (in ₹)	1.90	3.32	(4.42)
Net asset value per Equity Share (in ₹)	10.99	76.87	73.79
Total borrowings	1125.22	1,025.43	1,539.94

AUDITOR QUALIFICATIONS

For further details on auditor qualifications, please refer to section titled '*Financial Statements*' beginning on page 17 of this Draft Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION

Nature of Cases	Number of cases	Amount involved
Litigations involving our Company		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	1	₹96.15 Lakhs
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group	3	₹1973.27 Lakhs
Litigation involving our Group Companies	Nil	Nil

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 122 of this Draft Letter of Offer.

RISK FACTORS



For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 17 of this Draft Letter of Offer.

SUMMARY OF CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' and beginning '*Outstanding Litigations, Defaults and Material Developments*' on page 122 of this Draft Letter of Offer.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 72 of this Draft Letter of Offer.

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

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

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN LAST 1 (ONE) YEAR

There has been no split/ consolidation of Equity Shares during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.



SECTION III – RISK FACTORS

An investment in equity shares involves a high degree of risk. The risks described below together with other information contained in this Letter of Offer should be carefully considered by the prospective investors before making an investment decision. Prospective investors should carefully consider all the information contained in the section titled “Financial Information” on page 72 for the information related to the financial performance of our Company. The risks described in this section are those that we consider to be the most significant to our business, results of operations, financial condition, cash flows and prospects. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. If any or a combination of the following events occur, our business, results of operations, financial condition and prospects could materially suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

The following risk factors have been determined by our Board of Directors on the basis of their materiality. In accordance with Clause (VI) in Part B of Schedule VI of the SEBI ICDR Regulations, the following factors have been considered for determining the materiality: (i) Some events may not be material individually, but may be found material collectively, (ii) some events may have material impact qualitatively instead of quantitatively; and (iii) some events may not be material at present but may have material impact in the future.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to ‘we’, ‘us’, ‘our’ refers to our Company.

Materiality

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

INTERNAL RISKS

1. ***Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.***

We require various statutory and regulatory licenses, permits and approvals to operate our business. We need to make compliance and applications at appropriate stages of our business to continue our operations. There can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. Further any default by our Company in complying with the same may result in the cancellation of such licenses, approvals or registrations which may adversely affect our operations and financial strength.

Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

2. ***Privacy and data protection legislation and regulations and public perception concerning security and privacy on the Internet may adversely affect our reputation, business and profitability.***

In the processing of our transactions, we receive and process a large volume of personal information. Our database of individual profiles is one of our material assets and is a key component in our business operations. We face risks inherent in handling large volumes of data and in protecting the security of such data. We face a number of challenges, including protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behaviour or improper use by our employees. While we have not experienced in the past, we may in the future experience, misuse of our service platforms, including third parties assuming our identity and circulating spam reports on our behalf.

Such information is increasingly subject to legislation and regulations in various jurisdictions and governments are increasingly acting to protect the privacy and security of personal information that is collected, processed and transmitted in or from the



governing jurisdiction. We could be adversely affected if legislation or regulations are expanded or amended to require changes in our business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, prospects, financial condition and results of operations.

As privacy and data protection become more sensitive issues in India, we may also become exposed to potential liabilities. For example, under the Information Technology Act, 2000, as amended, we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information. Any liability we may incur now or in the future for violation of such laws and regulations and related costs of compliance and other burdens may adversely affect our reputation, business and profitability.

3. Significant security breaches in our computer systems and network infrastructure and fraud could impact our business.

We seek to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems with the help of global best practices as well as world over recognized certifications. Computers break –in and power disruptions could affect the security of information stored in and transmitted through these computers systems and networks. To address these issues and to minimize the risk of security breaches we employ security systems such as conduct periodic penetration testing for identification and assessment of potential vulnerabilities and storing critical passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. Only significant failure in security measures could have an effect on our business

4. We rely on information technology systems, networks and infrastructure to operate our business. Any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively provide our services.

We are primarily in the business of providing services through technology-driven media, and we rely on information technology and telecommunications systems and networks and related infrastructure, some of which have been customized and developed internally. As such, our business operations, the quality of our service and our ability to attract and retain customers depend on the efficient and uninterrupted operation, reliability, speed and availability of such systems, networks and infrastructure, both internal and external.

Our systems are vulnerable to damage or interruption as a result of natural disasters, power loss, telecommunications failures, technical failures, undetected errors or viruses in our software, computer viruses, corruption or loss of electronically stored data, hardware damage, disruption in communications access or infrastructure, electronic intrusion attempts, hacking, defacement, physical or electronic break-ins, sabotage, vandalism and other similar events which could lead to accessing difficulties, service interruptions, delays, loss of our database content, inability to accept and/or fulfill user requests or inaccurate data being processed or displayed. There can be no assurance that we will be able to eliminate or alleviate the risks arising from such contingencies. We cannot assure you that our back-up and disaster recovery measures and business continuity planning would effectively eliminate or alleviate the risks arising from the above contingencies. Any damage to or failure of our systems could lead to loss of our database content or interruptions or delays, thereby impairing our ability to effectively provide our services, which could result in customer dissatisfaction.

Any of the above could disrupt our ability to operate our services or may materially affect the efficiency of the services provided by us, our reputation and financial condition.

5. We reported a loss of ₹215.86 Lakhs for the FY 2020-21.

We may incur losses after tax in the future. Our failure to generate profits may adversely affect the market price of our Equity Shares, restrict our ability to pay dividends and impair our ability to raise capital and expand our business. For further details, see 'Financial Statements' on page 72.

6. During the Financial Year ending March 31, 2023, the secretarial auditor has noted out certain qualifications with respect to non-compliances with certain provisions of the laws and regulations.

Except the following the Secretarial Auditor has not given any observation during the Financial Year 2022-23:

Sr No.	Compliance Requirement	Regulation/Circulation No.	Deviation	Action Taken By	Fine Amount	Observation
1.	Submission of	Regulation 33 of SEBI	Delay in	NSE	Fine of	Fine was paid to



	Financial Results within 45 days from the end of Half Year	(Listing Obligations And Disclosure Requirement) Regulations, 2015	submission of Financial Results for half year ended on September 30, 2022.	and BSE	Rs. 5,900/- each by both exchanges	BSE on December 21, 2022 and NSE On December 22, 2022.
2.	Prior Intimation of Board Meeting	Regulation 29(2) of SEBI (LODR) Regulations, 2015	Omission in filing of Prior Intimation of Board Meeting held for fund raising.	NSE and BSE	Fine of Rs. 11,800/- each by both exchanges	Fine was paid to BSE and NSE on January 28, 2023.
3.	Compliances with conditions while Appointment/ re-appointment of an Auditor and other conditions relating to resignation of Statutory Auditor	Section 139 of the Companies Act, 2013	-	-	-	There is no appointment and resignation of Auditor during the period under review.

7. If third parties, including our current or future competitors, or our employees are able to circumvent our protection measures which are put in place for the protection of our database or systematically copy our content or misappropriate confidential information, our business and reputation would be adversely affected.

We depend on a combination of laws and confidentiality provisions and provisions that restrict the post-employment operations of our employees in their employment agreements to protect our logo, brand name, database and customized information technology.

Even with such precautions, we cannot assure you that our database or proprietary technology will not be copied or obtained by third parties. Although, we are currently not involved, we may in the future need to resort to litigation or other proceedings to enforce, protect or determine the validity and scope of our intellectual property rights, including in relation to our database, and to defend against third party infringements, which may be expensive and resource consuming and might create uncertainty as to the ownership of such rights while the case is being decided (which may take substantial amounts of time) and fail to result in a satisfactory remedy or recourse.

Our employees are required under their offer letters to keep confidential all information relating to our clients, working systems technical know-how, security arrangements and administrative or organization matters of our Company or clients during and after their employment with us. However, we may not have sufficient internal controls and processes to ensure that our employees comply with their obligations under their employment agreements and there can be no assurance that such provisions will adequately prevent the disclosure of confidential information.

If we fail to prevent third parties or our employees from circumventing our protection measures or if we fail to successfully prosecute third parties or our employees from using or copying our content or misappropriate confidential information, this could damage our reputation, cause interruptions in our operations, expose us to a risk of loss or litigation and possible liability, and could also cause customers and potential customers to lose confidence in our internal systems and processes, which would have a negative effect on the demand for our services.

8. We face foreign exchange risks that could adversely affect our results of operations and cash flows.

We are exposed to fluctuations in exchange rates between the US Dollar and the Indian Rupee. Our exchange rate risk primarily arises from our foreign currency revenues, receivables, payables etc. We have significant revenues in foreign currencies especially US\$. The foreign exchange fluctuation affects the revenues in absolute terms when converted into Indian rupees. To this extent, the revenues will be higher or lower depending on the depreciation or appreciation of Indian Rupee in foreign currency terms. Foreign Exchange revenues for the financial year ended March 31, 2021 was Rs. 31,01,571 (Rupees Thirty one Lakhs One thousand Five Hundred Seventy One only). However there were no earning year ended March 31, 2022 and March 31, 2023.



Although we closely follow our exposure to foreign currencies we have not entered into any hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. In addition, the policies of the Reserve Bank of India (“RBI”) may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows.

9. *Our business and profitability could be adversely affected if we fail to keep pace with changing technology and evolving industry standards and norms or fail to enhance existing services and develop and introduce new services in a timely manner.*

The markets for our services are characterized by rapidly changing technology, evolving industry standards and norms and new service introductions. Adaptability is one of the key attributes for success in our industry. Our results of operations and financial condition depend on our ability to develop and introduce new services, as well as our ability to modify and upgrade our existing services. The process of developing new services or modifying existing services is complex and requires us to accurately predict and respond to customers' changing and diverse needs and emerging technological trends. The success of our new services will depend on several factors, including proper identification of market demands and the competitiveness of our services with the services introduced by our competitors.

Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs (in comparison to our competitors who are able to successfully implement such technologies) and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our profitability.

We cannot be sure that we will successfully identify new service opportunities, develop and introduce new services in a timely manner, price such new services at optimal levels, modify and upgrade existing services, achieve market acceptance of our services, or that services offered by our competitors will not render our services non-competitive or force us to reduce prices, thereby adversely affecting our margins. Our failure to respond successfully to any of these challenges will significantly harm our results of operations and financial condition.

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

For the financial year ended March 31, 2023, our top five largest clients accounted for approximately 40% of our revenues from operations. The loss of a significant client or clients would have a material adverse effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could adversely impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, adversely impacting our income and financial condition.

11. *Our inability to build and maintain our brand name will adversely affect our business, prospects, financial condition and results of operation.*

Brand recognition is important to the success of our business. Establishing and maintaining our brand name for people relying on our services to look for desired results is critical to the success of the customer acquisition process of our business. Although we have expended, and expect to continue to expend, a significant amount of resources, financial and otherwise, on establishing and maintaining our brand, no assurance can be given that our brand name will be effective in attracting and growing user and customer base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, prospects, financial condition and results of operations.

12. *Our business and revenues are impacted by changes in the volume of hiring processes undertaken by our Clients. Any reduction in such volumes may adversely affect our business, results of operations and financial performance.*

We are primarily engaged in the business of providing services relating to employee background check, due diligence, know your customer, employment and education verification for companies operating in varied sectors. Unfavourable financial or economic conditions, which reduces demand for employees could reduce the requirement for new employees which may result in a material adverse effect on our business, prospects, financial condition and results of operations.

13. *The data of our users may be misappropriated by our employees and as a result, cause us to breach our contractual obligations in relation to such confidential information.*

There can be no assurance that the confidentiality and non-disclosure agreements entered into with our employees will adequately prevent the disclosure of confidential information, such as the information relating to our users by an employee. We may not have



sufficient internal controls and processes to ensure that our employees comply with their obligations under such confidentiality and non-disclosure agreements. If any confidential information is misappropriated by our employees, our users may raise claims against us for breach of our contractual obligations. We cannot assure you that we will have adequate recourse against our employees who disclose or misappropriate confidential information. In the absence of adequate recourse against such employees, the successful assertion of any claim may have a material adverse effect on our business, financial condition and results of operations.

The IT Act provides for civil and criminal liability including fines and imprisonment for various computer related offenses, which includes unauthorised disclosure of confidential information and failure to protect sensitive personal data. As part of our operations, we are required to comply with the IT Act and the rules thereof, failing which we may face claims and actions against us. We may also be restricted in our ability to collect information from our users under new data protection laws. Our failure to safeguard personal information or collect such information in the future may have a material adverse effect on our business, financial condition and results of operations. The introduction of IT legislations, including for protection of privacy, may require us to modify our existing systems, or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses and adversely affect our financial condition. Change in existing legislations or introduction of new legislations may require us to incur additional expenditure, to ensure compliance with such legislations, which may adversely affect our financial condition.

14. *We have existing debt facilities and may raise additional debt, which could adversely affect our financial health and our ability to obtain financing in the future and react to changes in our business and increase in interest rates of our borrowings may impact our results of operation.*

As of March 31, 2023, the amount of our total borrowings was Rs 17.92 crore. Our business requires a high amount of working capital to finance operational expenses before payments are received from client. We may incur additional indebtedness in the future. Our ability to meet our debt service obligations and our ability to repay our outstanding borrowings will depend primarily upon the cash flow produced by our businesses. We cannot assure you that we will generate sufficient revenue from our businesses to service existing or proposed borrowings. If we fail to meet our debt service obligations, our lenders could declare us to be in default under the terms of our borrowings and may accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we would have sufficient resources to repay these borrowings. Accordingly, any such acceleration would have an adverse effect on our cash flows, business, financial condition and results of operation. In addition: (a) our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired in the future; (b) a substantial portion of our cash flow from operations may be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes; (c) we will be exposed to the risk of increased interest rates; and (d) our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited, and we may be more vulnerable to a downturn in general economic conditions in our business or be unable to carry out capital spending that is necessary or important to our growth strategy.

If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditure, sell assets, seek additional equity capital, or restructure our debt. In the future, our cash flow and capital resources may not be sufficient for interest or principal payments on our indebtedness, and any remedial measures may not be successful and therefore may not permit us to meet our scheduled debt service obligations.

Our borrowings carry interest at floating rates or at a fixed rate that is subject to adjustment at specified intervals. We are exposed to interest rate risk as we do not currently enter into any swap or interest rate hedging transactions in connection with our loan agreements. Any such increase in interest expense may have an adverse effect on our business, prospects, financial condition and results of operation. Such instances could adversely affect our business operations, cash flows and financial condition.

15. *Obsolescence, destruction, theft, breakdowns of our major IT equipment or failures to repair or maintain the same may adversely affect our business, cash flows, financial condition and results of operations.*

We own majority of the IT equipment used in our operations. To maintain our capability to undertake facilities management services, we may have to purchase IT equipment built with the latest technologies and knowhow and keep them readily available for our operations through careful and comprehensive repairs and maintenance. We cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our IT equipment, destruction, theft or major equipment breakdowns or failures to repair our major equipment, which may result in their unavailability, cost overruns and even defaults under our contracts. The latest technologies used in newer models of equipment may improve productivity significantly and render our older equipment obsolete.

Obsolescence, destruction, theft or breakdowns of our equipment may significantly increase our equipment purchase cost and the depreciation of our IT equipment, as well as change the way our management estimates the useful life of our IT equipment. In such cases, we may not be able to acquire new IT equipment or repair the damaged IT equipment in time or at all, particularly where our IT equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of discounts. Such



obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations.

16. *If we are unable to attract new clients or our existing clients do not renew their contract, the growth of our business and cash flows will be adversely affected.*

To increase our revenue and cash flows, we must regularly add new clients. If we are unable to generate sufficient leads through our marketing programs, or if our existing or new clients do not perceive our services to be of sufficiently high value and quality, we may not be able to increase sales and our operating results would be adversely affected. In addition, our existing clients have no obligation to renew their contracts, and renewal rates may decline or fluctuate due to a number of factors, including customers' satisfaction with our services, our prices and the prices of competing service providers. If we fail to sell our services to new customers or if our existing customers do not renew their contracts, our operating results will suffer, and our revenue growth, cash flows and profitability may be materially and adversely affected.

17. *Certain of our client contracts can be terminated by our clients without cause and with limited or no notice or penalty, which could negatively impact our revenue and profitability.*

Our clients typically retain us on a non-exclusive basis. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most of our contracts with clients carry no commitment to a specific volume of business or future work. While we typically have carve-outs for force majeure events, many events, such as equipment failure and third-party vendors being unable to meet their underlying commitments to us, could impact our ability to meet our service level agreements. Our business is dependent on the decisions and actions of our clients, and there are a number of factors relating to our clients that are outside our control that might result in the termination of a project or the loss of a client, including financial difficulties for a client; change in strategic priorities, resulting in a reduced level of spending on Background check Industry; a demand for price reductions; and a change in strategy by moving more work in-house or to our competitors. Therefore, our business may be adversely affected if any of our contracts are terminated by our clients at short notice.

18. *We incur substantial costs in developing new services, which may not yield benefits in proportion to such costs incurred by us. Further, if we are unable to derive substantial benefit from our efforts in developing new services, our results of operations may be adversely affected.*

We incur substantial costs in developing new services for our clients. We cannot ascertain that our efforts in developing new services have enabled us to achieve tangible benefits in proportion to the costs incurred by us. We may not be able to derive substantial benefit from our efforts in developing new services, or any benefit at all in the future. We cannot assure you that the commercialization of our new services offerings will be profitable. If we are unable to monetize and/ or sustain our efforts in developing new services, our results of operations may be adversely affected.

19. *We may need to change our pricing models to compete successfully.*

The intense competition we face in our businesses, and general economic and business conditions can put pressure on us to reduce our prices. If our competitors offer deep discounts on certain services, we may need to lower prices or offer other favourable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect our operating results.

Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as a result of our clients adjusting to the new pricing policies. Some of our competitors may bundle services for promotional purposes or as a long-term pricing strategy and provide best price guarantees. These practices could, over time, significantly constrain the prices that we can charge for certain of our services. If we do not adapt our pricing models to reflect changes in clients' use of our services or changes in customer demand, our revenues could decrease.

20. *Our Directors have provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Directors or promoter in connection with our Company's borrowings.*

Our Directors, Mr. Rahul Belwalkar and Mr. Ashish R Mahendrakar have provided personal guarantees for our borrowings in Bank of Baroda (BOB) and State Bank of India (SBI) to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Director in connection with our Company's borrowings.



21. ***Our Company's success depends largely upon its skilled professionals and its ability to attract and retain these personnel. The industry where our Company operates is a highly employee intensive industry.***

Our Company's ability to execute projects and to obtain new clients depends largely on their ability to attract, train, motivate and retain highly skilled software professionals, particularly project managers and other mid-level professionals. The attrition rates in the industry in which we operate have been high due to a highly competitive skilled labor market in India. We invest in training professionals that we hire to perform the services we provide. These professionals are often targeted by the lateral recruitment efforts of our competitors. The performance of our Company will be benefited on the continued service of these persons or replacement of equally competent persons from the domestic or global markets. We may have difficulty in redeploying and retraining our professionals to keep pace with continuing changes in technology, evolving standards and changing customer.

22. ***Our success depends largely on our senior management and skilled professionals and our ability to attract and retain them.***

Our success depends on the continued services and performance of the members of our senior management team and other key employees. Our continued success also depends upon our ability to attract and retain a large group of skilled professionals and staff, particularly managers and skilled workers. The loss of the services of our senior management or our inability to recruit, train or retain a sufficient number of skilled professionals could have a material adverse effect on our operations and profitability. Competition for senior management in our industry in which we operate is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future.

23. ***Inadequate workloads may cause underutilization of our workforce and equipment bank.***

We estimate our future workload largely based on whether and when we will receive certain new contract awards. While our estimates are based upon our best judgment, these estimates can be unreliable and may frequently change based on newly available information. In a project where timing is uncertain, it is particularly difficult to predict whether or when we will receive a contract award. The uncertainty of contract awards and timing can present difficulties in matching our workforce size and equipment bank with our contract needs. In planning our growth, we have been adding to our workforce and equipment bank as we anticipate inflow of additional orders. We maintain our workforce and utilize our equipment based upon current and anticipated workloads. We may incur equipment loans if we purchase additional equipment in anticipation of receiving new orders. If we do not receive future contract awards or if these awards are delayed or reduced, we may incur significant costs from maintaining the under-utilized workforce and equipment bank, and may further lack working capital to pay our equipment loan instalments on time or at all, which may result in reduced profitability for us or cause us to default under our equipment loans. As such, our financial condition and results of operation may be adversely affected.

24. ***Our debt financing agreements contain restrictive covenants or lenders' options that may affect our interest***

Some debt financing agreements entered into by our Company contain restrictive covenants, and/or events of default that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. Our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lender for, among others: (a) change in the capital structure and shareholding pattern of our Company; (b) amendment of the Memorandum and Articles of Association of our Company; (c) take any action of merger, compromise, reconstruction or amalgamation; (d) dilute our Promoters' shareholding in our Company; and (e) declare dividend for any year.

The personal guarantees provided by our Directors in relation to certain facility agreements entered into by our Company with lenders stipulate that the lenders may without our concurrence alter or modify the terms and conditions of the facility, and particularly they are permitted to revise the payment terms and also increase the rates of interest. In addition, the lenders may, at their discretion, exercise their rights and powers pursuant to the guarantee against the guarantors jointly or severally.

If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered. A material breach of any of the above covenants or restrictions could also cause us to default under the applicable agreement, which would permit the applicable lenders to declare all amounts outstanding thereunder to be due and payable, together with accrued and unpaid interest and enforce the security provided for such loans. In such an event, we may be unable to incur additional borrowings and we may be unable to repay the amounts due. This may have a material and adverse effect on our financial condition and results of operation.

We cannot assure you that we have complied with all such restrictive covenants in a timely manner or at all or that we will be able to comply with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our financing agreements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such facilities and the enforcement of any security provided. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. In addition, other third parties may have concerns over our financial position and it may be difficult to market our financial products. Any of these circumstances could adversely affect our business, credit



rating, prospects, results of operations and financial condition. Moreover, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

25. *We may be made party to the claims made by our clients, in the event the contents of the database of individual profiles provided and included in our database are incorrect or misleading.*

In the processing of our transactions, we receive and process a large volume of personal information. Our database of individual profiles is one of our material assets and is a key component in our business operations. There is also no assurance that our database of individual profiles will remain up-to-date and accurate. We may be made party to the claims made by our clients, in the event the contents of the database of individual profiles provided and included in our database are incorrect or misleading.

We may need to incur significant costs and resources to investigate and defend these claims, regardless of the outcome. While we have commercial general liability insurance and errors and omission liability insurance policy, the amount of coverage we maintain may be insufficient to cover such costs. In addition, implementing stricter measures to reduce exposure to such liability and/or to limit the information collated and provided by our services may result in us being less attractive to our clients which would adversely affect our business, results of operations and financial condition.

26. *Our clients may delay or default in making payments for services rendered by us which could affect our profits, cash flows and liquidity.*

Cash collection trends and trade receivables have an impact on our cash receipts and, consequently, on our cash flows. Trade receivables constitute a significant portion of our total assets. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. An increase in bad debts or defaulting customers may lead to greater usage of our operating working capital and increased interest costs. Successful control of the service receivables process requires development of appropriate contracting, invoicing, credit, collection and financing policies. Our failure to maintain such policies could have an adverse effect on our business, financial condition and cash flows.

27. *We have significant employee benefit expenses, such as workers' compensation, staff welfare expenses and contribution to provident and other funds. An increase in employee costs in India may prevent us from maintaining our competitive advantage and may reduce our profitability.*

We incur various employee benefit expenses, including workers' compensation, staff welfare expenses and contribution to provident and other funds. Workers' compensation costs may increase in the future if states raise benefit levels and liberalize allowable claims. Our profit margins may get adversely impacted, if we are unable to pass on such costs and cost increases to

our clients on a concurrent basis. Unless we are able to continue to increase the efficiency and productivity of our employees, increase in proportion employees with lower experience, or source talent from other low cost sources, employee costs increases in the long term may reduce our profit margins. Our Promoter, Directors and Key Managerial Personnel of our Company may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits. Our Promoter is interested in us to the extent of any transactions entered into or his shareholding and dividend entitlement in us. Our Directors are also interested in us to the extent of remuneration paid to them for services rendered as our Directors and reimbursement of expenses payable to them. Our Directors, Mr. Rahul Belwalker and Mr. Ashish R Mahendrakar have given personal guarantees for our borrowings to secure our loans. Our Directors may also be interested to the extent of any transaction entered into by us with any other company or firm in

which they are directors or partners or in their individual capacity. For further details, please refer "Our Promoters and Promoter Group" and "Our Management" on page 70 and 64 respectively.

28. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.*

We have entered into related party transactions with our Promoter, Promoter Group, Group Entities and Directors. For details of these transactions, please refer "Related Party Transactions" in "Financial Statements" on page 72.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties.

We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

29. *Our Registered office and corporate office are not owned by us.*



SecUR Credentials Limited – Draft Letter of Offer

Our Company has taken our registered office on leave and license basis from M/s. Hamlet Constructions (India) Private Limited, having CIN U45200MH2002PTC136271 and registered office at 111-AM G Road Fort Mumbai, Maharashtra-400023 for a period of 60 (sixty) months commencing from April 1st, 2021 until March 31st 2026. There can be no assurance that our Company will be able to successfully renew the said leave and license agreement in a timely manner or at all.

Further there can be no assurance that we will not face any disruption of our rights as a licensee and that such leave and license agreement will not be terminated prematurely by the licensor. Any such non-renewal or early termination or any disruption of our rights as licensee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations.

30. *Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.*

Our Company believes that its insurance coverage is adequate and consistent with industry standards. Our principal types of coverage include commercial general liability insurance, errors and omission liability insurance policy. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

31. *We face significant competition and if we fail to compete effectively, our business, prospects, financial condition and results of operations will be adversely affected.*

We compete with both Indian and international competitors in India and APAC markets. Our competitors may be larger than us in terms of revenues and number of employees and may have substantial marketing and financial resources at their disposal. We also face competition from various regional players. We expect that the level of competition will remain high, which could directly impact the size of our workforce and therefore potentially limit our ability to maintain or increase our profitability. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential influx of new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success.

Further, some of our competitors may be larger than us, have stronger financial resources or a more experienced management team, or have stronger capabilities in rendering technically complex services. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in employee background check, due diligence, know your customer, employment and education verification. Further, the premium placed on having experience may cause some of the new entrants to accept lower margins in order to be awarded a contract. The nature of the process may cause us and our competitors to accept lower margins in order to be awarded the contract. We may also decide not to participate in some contracts as accepting such lower margins may not be financially viable and this may adversely affect our competitiveness to bid for and win future contracts. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively against our current or future competitors may have an adverse effect on our business, results of operations and financial condition.

As a result, there can be no assurance that we will not encounter increased competition in the future. Nor can there be any assurance that our Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins.

32. *We require substantial capital for our business operations, and the lacuna to obtain additional financing in the form of debt or equity may affect our ability to grow and our future profitability.*

Our business is capital intensive, requiring substantial capital to develop software's. The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our software, change in business plans due to prevailing economic conditions, unanticipated expenses, regulatory and engineering design changes. To the extent our planned expenditure requirements exceed our available resources; we will be required to seek additional debt or equity financing. Additional financing could increase our cost, in case of debt increase in interest cost and additional restrictive covenants and in case of equity dilution of our earnings per share. We cannot assure that in future, we will be able to raise additional financing on acceptable terms in a timely manner or at all.

33. *Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.*



Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, schedule of implementation as described herein are based on management’s current expectations and are subject to change due to various factors some of which may not be in our control.

34. Our failure to identify and understand evolving industry trends and preferences and develop new products to meet our customers’ demands may adversely affect our business.

Changes in regulatory or industry requirements or in competitive technologies may render certain of our products obsolete or less attractive and could require substantial new capital expenditures or subject us to write-offs. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis will be a significant factor in our ability to remain competitive. We cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly.

35. We experienced negative cash flows in the past

We experienced negative cash flows in the past. Sustained negative cash flows could impact our growth and business. We experienced negative cash flows from some activities as per the periods indicated below as per our Consolidated Financial Statements

(□ in Lakhs)

Particulars	For the Financial Year ending March 31		
	2023	2022	2021
Net Cash Flow from Operating Activities	883.05	539.08	(379.73)
Net Cash Flow from Investing Activities	(7.80)	(435.83)	1,163.47
Net Cash Flow from Financing Activities	(885.05)	(124.47)	(1,303.22)

If we continue to experience negative cash flows from operations in the future, it could adversely affect our business, results of operations and financial condition. For further details, see **‘Financial Statements’** on page 72.

36. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations, and goodwill could be adversely affected.

37. As the Equity Shares of our Company are listed on Stock Exchanges, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on Stock Exchanges, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavours to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

38. Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or



preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

39. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition, or cash flows.*

Our ability to pay dividends in future will depend on our earnings, financial condition, and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition, and results of operations. Although our Company has not declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also.

40. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled ‘Objects of the Issue’.*

As the issue size shall be less than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

41. *We have not commissioned an industry report for the disclosures made in the chapter titled ‘Industry Overview’ and made disclosures based on the data available on the internet and such data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled ‘Industry Overview’ of this Draft Letter of Offer. We have made disclosures in the said chapter based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

ISSUE SPECIFIC RISKS

42. *Investment in Right Shares is exposed to certain risks.*

The Right Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Right Shares. This may affect the liquidity of the Right Shares and restrict your ability to sell them. In case our Company declares any dividend, Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid-up, and the voting rights (exercisable on a poll) by Investors shall also be proportional to such investor's share of the paid-up equity capital of our Company.

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

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

44. *Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*



SecUR Credentials Limited – Draft Letter of Offer

Our Company will dispatch the Issue Materials to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

45. *Investors shall not have the option to receive Right Shares in physical form.*

In accordance with the provisions of Regulation 77A of the SEBI (ICDR) Regulations read with SEBI Rights Issue Circular, the credit of Rights Entitlement and Allotment of Right Shares shall be made in dematerialised form only. Investors will not have the option of getting the allotment of Equity Shares in physical form.

46. *SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see '*Terms of the Issue*' on page 133 of this Draft Letter of Offer.

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

47. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge, or encumber their Equity Shares in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where

such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.



The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

49. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time, subjecting you to market risk for such period.

50. *There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

51. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

52. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

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

54. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may



have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

EXTERNAL RISK FACTORS

55. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.*

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time-to-time experienced instances of civil unrest and hostilities among neighbouring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

56. *If certain labour laws become applicable to us, our profitability may be adversely affected.*

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

57. *Our business is dependent on the Indian economy as well as the International Geographies where we are delivering our services*

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India 's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. The Indian financial market and the Indian economy are influenced by Accord Synergy Limited 30 economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors 'reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

58. *Political, economic, or other factors that are beyond our control may have adversely affect our business and results of operations.*

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition, and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional, and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

59. *A slowdown in economic growth in India could cause our business to suffer.*



We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- a) Any increase in Indian interest rates or inflation;
- b) Any scarcity of credit or other financing in India;
- c) Prevailing income conditions among Indian consumers and Indian corporations;
- d) Changes in India's tax, trade, fiscal or monetary policies;
- e) Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- f) Prevailing regional or global economic conditions; and
- g) Other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

60. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ('ICDS'), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

the General Anti Avoidance Rules ('GAAR') have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, because of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary



basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

61. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. We might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any terms or at all.

63. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects, and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ('GST') regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure.

Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 ('Finance Act') on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition, and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 ('Bill') has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require



significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

64. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.*

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

65. *Financial instability in Indian financial markets could materially and adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Any financial development in the countries in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Any adverse condition happening in the financial systems of other emerging markets may also affect the investors' confidence in Indian Market which can cause increased volatility, in the Indian economy in general. Any worldwide financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy.

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

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



SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on Friday, September 29, 2023, in pursuance of Section 62(1)(a) of The Companies Act, 2013.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in '*Terms of the Issue*' on page 133 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	[•] Equity Shares
Rights Equity Shares offered in the Issue	[•] Rights Shares
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[•] Equity Shares
Rights Entitlement	1 Rights Shares for every 1 fully paid-up Equity Shares held on the Record Date
Record Date	[•]
Face Value per Equity Share	<input type="checkbox"/> 10.00/- each
Issue Price per Equity Share	<input type="checkbox"/> [•]/- including a premium of <input type="checkbox"/> [•]/- per Rights Equity Share.
Issue Size (Assuming full subscription for the Issue)	Up to <input type="checkbox"/> 4,990 Lakhs (Rupees Four Thousand Nine Hundred Ninety Lakhs Only)
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [•] ([•]) Equity Shares or is not in multiples of [•] ([•]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Terms of the Issue	Please refer to the section titled ' <i>Terms of the Issue</i> ' beginning on page 133 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 41 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE195Y01010; BSE Scrip Code: 543625; Scrip ID: SECURCRED; ISIN for Rights Entitlements: [•]

ISSUE SCHEDULE

Issue Opening Date	[•]
Last date for On Market Renunciation of Rights	[•]
Issue Closing Date	[•]



GENERAL INFORMATION

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra, Mumbai dated August 14, 2001 with the name 'Axis Resources Private Limited'. Subsequently the name of our Company was changed to 'SecUR Credentials Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai on July 18, 2016. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on July 19, 2017 and consequently, the name of our Company was changed to 'SecUR Credentials Limited' and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai on July 27, 2017.

Registration Number	133050
Company Identification Number	L74110MH2001PLC133050
Address of Registered Office of Companies	Prism Tower, 'A' Wing, 8 th Floor Unit No.5 Off Link Road, Mindspace, Malad (West), Mumbai, Maharashtra-400064, India Tel: 022-69047100 Email: complianceofficer@secur.co.in Website: www.secur.co.in
Address of Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai 100, Everest, Marine Drive Mumbai- 400002. Tel: +91 22 2281 2627 Fax: +91 22 2281 1977 E-mail: roc.mumbai@mca.gov.in Website: www.mca.gov.in
Designation Stock Exchange	BSE Limited and National Stock Exchange of India Limited
Listing of Shares offered in this Issue	BSE Limited and National Stock Exchange of India Limited
Contact Person:	Mr. Rahul Belwalkar Managing Director and Compliance Officer Prism Tower, 'A' Wing, 8 th Floor Unit No.5 Off Link Road, Mindspace, Malad (West), Mumbai, Maharashtra-400064, India. Email: complianceofficer@secur.co.in Contact No.: +91 22 6904 7100

BOARD OF DIRECTORS OF OUR COMPANY

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Name	Designation	DIN	Age	Address
Mr. Rahul Belwalkar	Chairperson and Managing Director	02497535	49 years	6, Anjaneshwar Society, Tejpal Scheme Road - 3, Vile-Parle (East), Mumbai, India- 400057
Mr. Mithun Kothari	Independent Director	07520793	32 years	3, Ganpati Apartment, Khetan Tower Compound, Camp Road, Shahi Baug, Ahmedabad 380004
Mr. Amit Kumar Bharti	Independent Director	07899905	48 years	9 Narayanee, Chedda Nagar, Opp. Modern English School, Chembur, Mumbai, Maharashtra, India – 400089
Ms. Shireen Mohd Haneef Khan	Independent Director	08669626	25 years	104 Baitul Wafa, Almas Colony Road, Near Abdullah Garib Polytechnic College, Kausa, Thane, Mumbra, Maharashtra-400612
Mr. Prateek Jain	Independent Director	08611660	33 years	Gali No. 2, Behind Reliance Petrol Pump, Opposite Vidyut Colony, Shyampura, Banswara, Rajasthan-327001
Mr. Jaykishan Darji	Independent Director	09663640	32 years	B-506, Shanti Deep, Nr. Anand Party Plot, New Ranip, Ahmedabad, Gujarat-382480
Mr. Ashish Ramesh Mahendrakar	Executive Director	03584695	52 years	Gangurde Chawl, Murbad Road, Murarbag, Subhash Chowk, Kalyan(west), Kalyan, Thane, Maharashtra-421301.



KEY PERSONNEL AND INTERMEDIARIES

Managing Director & Compliance Officer	Chief Financial Officer
Rahul Belwalkar Address: Prism Tower, ‘A’ Wing, 8 th Floor, Unit No. 5, Off Link Road, Mindspace, Malad (West), Mumbai City, Maharashtra–400050, India. Contact Details: +91 22 6904 7100 Email-ID: complianceofficer@secur.co.in	Ashish Ramesh Mahendrakar Address: Prism Tower, ‘A’ Wing, 8 th Floor, Unit No. 5, Off Link Road, Mindspace, Malad (West), Mumbai City, Maharashtra–400050, India. Contact Details: +91 22 6904 7100 Email-ID: complianceofficer@secur.co.in
Statutory and Peer Review Auditor	Registrar to the Issue
M/s. S D Mehta & Co. 1601, 16th Floor, Himalaya Business Center, B/H BRTS Bus Stand, Nr. RTO Circle, 132 Ft Ring Road, Ahmedabad-380027 Firm Registration No: 137193W Contact Person: [•] Mem No.: [•] E-mail ID: info@sdmca.in Contact Number: 07927541742, 07929911742 Website: www.sdmca.in	Skyline Financial Services Private Limited A/506, Dattani Plaza, Andheri Kurla Road, Andheri East Mumbai – 400072 Contact Details: 011-26812682; Website: www.skylinerta.com/ ; E-mail ID / Investor grievance e-mail: admin@skylinerta.com ; Contact Person: Mr. Subhash Dhingreja; SEBI Registration Number: INRO00003241
Bankers to the Company	Bankers to the Company
Bank of Baroda Branch: Mumbai Main Office Account Number: 70080500000059 Contact Details: 022-40438201 E-mail ID: cs.ho@bankofbaroda.com Website: www.bankofbaroda.in Contact Person:	State Bank of India Branch: Commercial Branch, Fort Mumbai Account Number: 40963979263 Contact Details: 022 4080 7001 E-mail ID: Sbi.30002@sbi.co.in Website: www.onlinesbi.sbi Contact Person: [•]
Bankers to the Issue/ Refund Banker	
[•] [•] Contact Person: [•] E-mail ID: [•] Contact Details: [•] Website: [•] SEBI Registration Number: [•]	

CHANGES IN THE AUDITORS DURING THE LAST THREE YEARS

There has been no change in the auditors of the Company in the previous 3 (Three) Financial Years prior to the date of filing this Draft Letter of Offer.

INVESTORS GRIEVANCES

Investors may contact the Registrar to the Issue or our Managing Director and Compliance Officer for any pre-Rights Issue or post-Rights Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled ‘Terms of the Issue’ beginning on page 133 of this Draft Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

EXPERT



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

Our Company has received a written consent from our Statutory Auditors, M/s. S.D. Mehta & Co., Chartered Accountants, Registration No. 137193W, having office at 1601, 16th Floor, Himalaya Business Centre, Near RTO Circle, Ahmedabad – 380014 to include their name in this Draft Letter of Offer and as an ‘expert’, as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated [•], included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

ISSUE SCHEDULE

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

Last Date for credit of Rights Entitlements	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation of Rights Entitlements#	[•]
Issue Closing Date*	[•]
Finalization of Basis of Allotment (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

Note:

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

*Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [•] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [•].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, please refer to the section titled ‘**Terms of the Issue**’ beginning on page 133 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.skylinerta.com after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see ‘**Credit of Rights Entitlements in demat accounts of Eligible Shareholders**’ under the section titled ‘**Terms of the Issue**’ beginning on page 133 of this Draft Letter of Offer.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As the proposed Rights Issue is of Equity Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE



As the proposed Rights Issue is of Equity Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Rights Issue size does not exceed ₹ 10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Rights Issue is not underwritten, and our Company has not entered any underwriting arrangement.

FILING

Since the size of this Issue falls under the threshold as prescribed under Regulation 3 of the SEBI (ICDR) Regulations, the Draft Letter of Offer had been filed with BSE Limited and NSE and will not be filed with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE Limited and NSE.

MINIMUM SUBSCRIPTION

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the issue being other than capital expenditure for a project; and
2. The Promoters of our Company through its board resolution October 06, 2023, have confirmed that it may renounce full/a part of their Rights Entitlement in favour of third parties. The extent of renouncement, if any, shall be finalized before the filing of Letter of Offer with SEBI and Stock Exchanges.

In the event Promoter decides to renounce its Right Entitlement in favour of third parties, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations might apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.



CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Rights Issue, is set forth below:

Particulars	Aggregate Value	Nominal	Aggregate Value at Issue Price
Authorised Equity Share capital			
8,00,00,000 (Eight Crores) Equity Shares	₹ 8,000.00 Lakhs		-
Issued, subscribed and paid-up Equity Share capital before the Rights Issue			
[●] ([●]) Equity Shares of face value of ₹ 10.00/- each	₹ 4106.28 Lakhs		-
Present Rights Issue in terms of this Draft Letter of Offer⁽¹⁾			
[●] ([●]) Equity Shares of face Value of ₹ 10/- each	₹ [●]/-		₹ -[●]/-
Securities premium account			
Before the Issue		Nil	
After the Issue ⁽²⁾		₹ [●]/-	

Assuming full subscription for allotment of Rights Equity Shares.

Note:

- (1) *The present Rights Issue has been authorised by our Board of Directors pursuant to the resolution passed in their meeting conducted on Friday, September 29, 2023.*
- (2) *Assuming full subscription for allotment of Rights Equity Shares.*

NOTES TO THE CAPITAL STRUCTURE

The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;

At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;

As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;

The ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ [●] (Rupees [●] Only);

Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares

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

Details of stock option scheme of our Company

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares

As on the date of this Draft Letter of Offer, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered;

Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer

Neither our Promoter nor promoter group has acquired equity shares in the last one year prior to the filing of this Draft Letter of Offer.



Intention and participation by the promoter and promoter group

The Promoters of our Company through its board resolution October 06, 2023, have confirmed that it may renounce full/a part of their Rights Entitlement in favour of third parties. The extent of renouncement, if any, shall be finalized before the filing of Letter of Offer with SEBI and Stock Exchanges.

In the event Promoter decides to renounce its Right Entitlement in favour of third parties, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations might apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

0. Shareholding Pattern of our company

a) The shareholding pattern of our Company as on March 31, 2023 is as follows:

Particulars	BSE Limited's URL	NSE's URL
Summary statement holding of specified securities	https://www.bseindia.com/stock-share-price/secur-credentials-ltd/secured/543625/shareholding-pattern/	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SECURCRED&tabIn dex=equity
Statement showing shareholding pattern of the Promoter and Promoter Group	https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=543625&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SECURCRED&tabIn dex=equity
Statement showing shareholding pattern of the Public shareholder	https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=543625&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SECURCRED&tabIn dex=equity
Statement showing shareholding pattern of the Non Promoter- Non Public shareholder	https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=543625&qtrid=117.00&QtrName=March%202023	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SECURCRED&tabIn dex=equity
Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company.	https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=543625&qtrid=117.00&CompName=SecUR%20Credentials%20Ltd&QtrName=March%202023&Type=TM	https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SECURCRED&tabIn dex=equity



b) Details of shareholders holding more than 1% of the pre-Issue paid up capital of our Company as on date of this Draft Letter of Offer

Name of shareholder	Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Rahul Belwalkar	Managing Director	1	85,88,215	85,88,215	20.91	85,88,215	20.91	85,88,215
Sapan Anil Shah	Shareholders	1	20,28,490	20,28,490	4.94	20,28,490	4.94	20,28,490
Pravin Kumar Agrawal .	Shareholders	1	15,81,000	15,81,000	3.85	15,81,000	3.85	15,81,000
Shibani Rahul Belwalkar	Shareholders	1	15,64,400	15,64,400	3.81	15,64,400	3.81	15,64,400
Prerna Pradeep Agarwal	Shareholders	1	8,09,037	8,09,037	1.97	8,09,037	1.97	8,09,037
Jinesh Ashwin Matalia	Shareholders	1	7,41,600	7,41,600	1.81	7,41,600	1.81	7,41,600
Niraj Harsukhlal Sanghavi	Shareholders	1	7,29,701	7,29,701	1.78	7,29,701	1.78	7,29,701
Veena Rajesh Shah	Shareholders	1	7,20,000	7,20,000	1.75	7,20,000	1.75	7,20,000
Nupur Anil Shah	Shareholders	1	6,00,000	6,00,000	1.46	6,00,000	1.46	6,00,000
Seema Aggarwal .	Shareholders	1	5,00,000	5,00,000	1.22	5,00,000	1.22	5,00,000
Binaben Anilkumar Soni	Shareholders	1	5,00,000	5,00,000	1.22	5,00,000	1.22	5,00,000
Eesha Yadav	Shareholders	1	4,40,360	4,40,360	1.07	4,40,360	1.07	4,40,360
Riya Alpesh Shah	Shareholders	1	4,31,000	4,31,000	1.05	4,31,000	1.05	4,31,000
Alpesh Babulal Shah	Shareholders	1	4,13,399	4,13,399	1.01	4,13,399	1.01	4,13,399
Jainam Broking Limited	Shareholders	1	25,61,451	25,61,451	6.24	25,61,451	6.24	25,61,451
Equidem Dealers Private Limited	Shareholders	1	975000	9,75,000	2.37	9,75,000	2.37	9,75,000
Vikram Karanraj Sakaria (HUF)	Shareholders	1	6,40,110	6,40,110	1.56	6,40,110	1.56	6,40,110
Total			2,38,23,763	2,38,23,763	58.02	2,38,23,763	58.02	2,38,23,763



SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of the Net Proceeds (as defined below) of the Issue are:

1. Meeting Additional Working Capital Requirements
2. General corporate purpose
3. To meet issue expenses

Issue Proceeds and Net Proceeds

The details of the proceeds of the Issue are summarized in the table below:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹ 4,990.00
Less: Estimated Issue related Expenses	₹ 100.00/-
Net Proceeds from the Issue (excluding the Issue Expenses) (“Net Proceeds”)	₹ 4890.00/-

assuming full subscription and Allotment;

*The Issue size will not exceed ₹ 4,990 Lakhs (Rupees Four Thousand Nine Hundred Ninety Lakhs Only). If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

REQUIREMENT OF FUNDS OF THE NET PROCEEDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Particulars	Amount (₹ in lakhs)
To meet Working Capital requirements	₹ 3,892.00
General Corporate purpose	₹ 998.00
Total	₹ 4890.00

*To be determined on finalization of the Issue Price and updated in the Letter of Offer at the time of filing with the BSE Limited and NSE.

Our Promoter vide letter dated [•] has requested our Company to adjust its entire unsecured loan against the subscription amount required to be paid by it for subscribing to Rights Equity Shares arising out of its rights entitlement in this Issue.

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Rights Issue. The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

UTILIZATION OF NET PROCEEDS AND SCHEDULE OF IMPLEMENTATION

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

Particulars	Amount to be deployed from Net Proceeds in the Financial Year ending		Total Amount
	March 31, 2024	March 23, 2025	
Augmenting Working Capital requirements of our Company	₹ [•]	₹ [•].00	₹ [•].00
Adjustment of [•]	₹ [•].00		₹ [•].00



Particulars	Amount to be deployed from Net Proceeds in the Financial Year ending		Total Amount
	<input type="checkbox"/> [•].00	<input type="checkbox"/> [•].00	
* General Corporate Purposes	<input type="checkbox"/> [•].00	<input type="checkbox"/> [•].00	<input type="checkbox"/> [•].00
Total Net Proceeds	<input type="checkbox"/> [•].00	<input type="checkbox"/> [•].00	<input type="checkbox"/> [•].00

* Issue Proceeds proposed to be used for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

DETAILS OF THE OBJECTS OF THE ISSUE

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

1. Meeting Working Capital Requirements

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and unsecured borrowings. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change. The equity infusion through Rights Issue is proposed to meet our increasing working capital requirement that will help in maintaining creditors, debtors, inventory holding levels as per our operations requirement and in order to achieve growth in next 2-3 years and also for maintaining growth pace with Industry going forward. On the basis of our estimated working capital requirements, our Rights Committee pursuant to its resolution dated [•], has approved the projected working capital requirements for the Financial Year ending March 31, 2024 and March 31, 2025, the details of which are specified as under: Our Company's working capital limits from banks and the outstanding amounts thereunder, as on [•] day, [•], 2023, are set out below:

The details of estimation of Working Capital Requirement (on a standalone basis), is as under: (in Lakhs)

Sr. No.	Particulars	Actual for the financial year ending March 31, 2023		Projected for the financial year ending March 31, 2024		Projected for the financial year ending March 31, 2025	
		Rs. in Lakhs	Holding period (No. of Days)	Rs. in Lakhs	Holding period (No. of Days)	Rs. in Lakhs	Holding period (No. of Days)
I	Current Assets						
	Trade Receivables incl Unbilled	4937.95	290	10378.98	240	13655.21	240
	Cash and Cash Equivalents	261.56	NA	1172.01	NA	1299.45	NA
	Short-term loans and advances	50.4	NA	63	NA	78.75	NA
	Other Current Assets	1804.65	NA	2511.83	NA	3523.82	NA
	Total Current Assets(A)	7054.56		14125.82		18557.23	
II	Current Liabilities						
	Trade Payables	732.71	290	769.35	120	807.81	120
	Other Current Liabilities	1210.91	NA	1356.57	NA	1522.64	NA
	Short Term Borrowing	1201.43	NA	850.00	NA	850.00	NA
	Provisions & Deferred Tax Liabilities	570.52	NA	386.78	NA	1079.53	NA
	Total Current Liabilities (B)	3715.57		3362.7		4259.98	
III	Total Working Capital Requirements (A-B)	3338.99		10763.12		14297.25	
	Incremental Working Capital	822.55		7424.13		3534.13	
IV	Funding Patterns						
	Working Capital Funding from the Banks	1125.21		850.00		850.00	
	Internal Accruals/Unsecured Loans	2213.78		8933.12		9537.25	
	Net Proceeds of the Issue	0		980.00		3910.00	



	Total	3338.99	10763.12	14297.25	
--	--------------	----------------	-----------------	-----------------	--

2. Expenses for the Issue

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

(₹ in Lakhs)

Activity	Estimated Expense	% of Total Expenses	As a % of Issue size
Fees of RTA, and legal advisor, other professional service providers	[●]	[●]%	[●]%
Fees payable to regulators, including depositories, Stock Exchange, and SEBI	[●]	[●]%	[●]%
Statutory advertising, marketing, printing and distribution	[●]	[●]%	[●]%
Other expenses (including miscellaneous expenses and stamp duty)	[●]	[●]%	[●]%
Total	[●]	[●]%	[●]%

APPRAISAL

None of the Objects of the Issue have been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds are currently expected to be deployed in during Fiscal Years 2023-24, and 2024-25.

DEPLOYMENT OF FUNDS TOWARDS THE OBJECTS OF THE ISSUE

We have incurred ₹ [●] up to [●] towards the Objects of the Issue (Issue Expenses) which has been certified by Statutory Auditor [●], vide their certificate dated [●]. The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

As on date, our Company has not deployed any funds towards *‘Objects of the Issue’*

BRIDGE FINANCING FACILITIES

We have not availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

INTERIM USE OF PROCEEDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

MONITORING OF UTILISATION OF FUNDS

Since the proceeds from the Issue are less than ₹ 10,000 Lakhs, in terms of Regulation 41(1) of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Rights Issue. However, as per SEBI (LODR) Regulations, our Board/ Rights Issue Committee would be monitoring the utilization of the proceeds of the Rights Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to BSE Limited and NSE, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.



INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE

Our Promoters, members of the Promoter Group and the Directors do not have any interest in the Objects of the Issue.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the '**Postal Ballot Notice**') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

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

OTHER CONFIRMATIONS

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

or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our Group Companies, our Directors, or Key Managerial Personnel.

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



STATEMENT OF TAX BENEFITS



STATEMENT OF TAX BENEFITS

The Board of Directors
Secur Credentials Ltd

Dear Sirs,

Subject: Statement of Possible Special Tax Benefits available to **Secur Credentials Ltd** (“the Company”) and shareholders of the Company under the direct & indirect tax laws.

In connection with the Issue by the Company, we report that the enclosed Annexure, prepared by the Company states the possible special tax benefits available to the Company, its shareholders under direct tax laws including the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2022 (hereinafter referred to as "Income Tax Laws"), i.e. applicable for Financial Year 2023-24 relevant to the Assessment year 2024-25 presently in force in India, available to the Company and its shareholders of the Company. Several of these benefits are dependent on the Company and its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its shareholders to derive the possible special direct tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special direct tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company or its shareholders. The preparation of the contents stated in the Annexure is the responsibility of the Company’s Management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific direct tax implications arising out of their participation in the Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor advising the investor to invest in the Issue based on this Annexure. The benefits discussed in the Annexure are only intended to provide the direct tax benefits to the Company, its shareholders in a general and summary manner and does not purports to be complete analysis or listing of all the provision or possible tax consequences of the subscription, purchase, ownership or disposal, etc. of the shares. The tax benefits listed herein are only the possible special tax benefits which may be available under the current direct tax laws presently in force in India. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Annexure.

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



- The Company or the shareholders of the Company will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein

📍 1601, 16th Floor, Himalaya Business Center, B/H BRTS Bus Stand, Nr. RTO Cricle, 132 ft Ring Road, Ahmedabad - 380027
 📞 079-2754 1742, 079-29911742, 9327610273 🌐 www.sdmca.in



The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and the Letter of Offer ("Offer Documents") of the Company or in any other documents in connection with the Issue.

We confirm that while providing this certificate, we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI. This certificate is issued at specific request of the Company and is provided to enable the Board of Directors of the Company to include this report in the Offer Documents in connection with the Issue, to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges. This report is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. We hereby give consent to include this statement of possible special tax benefits available to the Company and its shareholders, in the Offer Documents and in any other material used in connection with the Issue.

S. D. Mehta & Co.

Chartered Accountants

FRN : 137193W

Dharit Mehta

Partner

Mem. No. : 157873

UDIN : 23157873BGWHDB6191



Date : 05th October, 2023

Place : Ahmedabad

Encl: As above



SECTION VI – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

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

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

INTRODUCTION

EMPLOYEE BACKGROUND SCREENING INDUSTRY

Organisations across the globe have moved away from the term human resources, and started using the term Human Capital. This is a recognition of the fact that People are the most important investment that the organisation will make. Given this, the core responsibility of a human resource professional is to recruit and manage human capital. The starting point of the Human Capital investment for an organization lies in effective and correct recruitment. And this is not just the most important task for an HR team, but possibly one of the most difficult as well. From not finding skilled talent, to not having enough time to deliberate over a candidate's resume and conduct multiple rounds of interviews, to not having enough budgets to hire a desired candidate – the challenges in recruiting the right talent are multiple.

Added to these challenges that an HR organization faces, is another serious challenge, as well as severe threat. That of resumes being over-stated, mis-stated, and sometimes, downright faked. Embellished resumes are becoming commonplace, and with this come increased chances of making a bad hire, resulting in unwanted losses. While at an individual level, an HR team may dismiss over-stated salary as a decimal point in the entire wage bill, multiplied by the above scale of falsification, and over the lifetime of the employee with the organization, the impact is more than substantial. In addition, it serves as a bad precedent to other potential employees, who will be tempted to take the same route. In addition, workplace incidents, including theft, sexual harassment, problems due to drug abuse, etc. are increasing at an alarming pace, and these have made organisations realize the value of background screening.

This is where Background Screening of employees, also referred to as Background Checking (BGC) and Background Verification (BGV) is now a critical process in the entire Human Capital Management chain. Through a series of checking processes, implemented in their entirety, it gives the organization the confidence that sufficient due diligence has been conducted to ensure that a resume is not faked, over-stated, or does not hide significant facts. Other than employment and educational information, background screening also scans criminal records. Hence, it eventually helps ensure a safe and secure workplace. BGC has now become an all-important risk mitigation tool for the HR organization. The reality is that an organisation's very reputation is at stake in case it hires someone with a questionable background. Brand equity and value can be adversely impacted if it is known that an organisation did not do enough due diligence before recruiting a certain individual who had a dodgy background. Thus, lack of background screening on potential employees is something that will come back to haunt an organisation — through reduced business, inability to retain better employees and adverse impact on its public perception.

BACKGROUND SCREENING – GLOBAL CONTEXT

Employee background screening has been a widely accepted practice in the US and Europe for many years. Apart from being seen as a key people risk mitigation tool, and all the other benefits, the need for screening is seen as being an integral part of HR practice due to the now-widely accepted concept of negligent hiring. Basically, an employer is seen as being potentially liable for damage or injury caused to an employee, due to acts by another employee. Over many years, this has now been extended as an affirmative process where the employer is required to provide a safe workplace to their employees, and if the employer has not conducted background checks on their employees, they are potentially placing their other employees at risk. Going ahead, if any such un-screened employee commits an act of violence, for example, at the workplace, the US



courts can potentially hold the employer liable as well. This concept of negligent hiring has broadened over the years, to include many other situations as well, including tenancy, damage to third parties, and vendors. As a result, background checking of employees, has now become an integral part of HR practices in the US, even as part of government hiring. Indian IT firms have delivery centres all across the world. IT & BPM industry is well diversified across verticals such as BFSI, telecom and retail. Increasing strategic alliance between domestic and international players to deliver solutions across the globe.

BACKGROUND SCREENING INDUSTRY IN INDIA

In India, the background check industry first gained a foothold with the advent of the IT/ITes boom in the late 1990s. Most international companies which off-shored services to India, or outsourced work to Indian entities, insisted on background checks being done on any employees working on their processes, as these employees would now have access to confidential and sensitive data. To a large extent, in the early stages of the Indian BGC industry, these sectors became the early adopters.

Over the next decade or so, many incidents took place which made most large Indian employers sit up and take notice of the fact that employee background checks needed to be an essential part of their risk mitigation and HR practices. There were numerous instances of employees stealing and misusing confidential, often financial, information which was made available to them as part of their work. In addition, terror incidents like the 9/11 tragedy, and multiple terror incidents across India, has reinforced the critical need for employers to “KYE” (Know Your Employees). With the explosion of the Services sector across the country, there was also much more interaction between the employees of organisations, who came into close physical contact with customers. There is no sector which is immune to the risks of un-verified employees.

With a considerable impact on the GDP and welfare of the nation, the IT & BPM sector has emerged as one of India's most important economic drivers. In FY22, the IT sector contributed 7.4% of India's GDP, and by 2025, it is anticipated to make up 10% of India's GDP.

According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth. Gartner forecasts that India's IT expenditure would rise from an estimated US\$ 81.89 billion in 2021 to US\$ 101.8 billion in 2022.

According to a report published by Microsoft, consultancy firm Bain & Co, and industry body Internet and Mobile Association of India (IAMAI), India produces 16% of the entire world's AI talent pool – the third highest in the world. PwC India has also announced that it is planning to hire 10,000 employees in the cloud and digital technologies space over the next five years.

Exports from the Indian IT industry are expected to be around US\$ 178 billion in FY22.

In FY22, the IT sector hired 4.45 lakh additional people, increasing the total number of workers to 50 lakh.

The computer software and hardware sector in India attracted cumulative foreign investment (FDI) inflows worth US\$ 88.94 billion between April 2000-June 2022.

PE investments in the IT sector were \$23.4 billion in 2021. In 2021, private enterprises in India's IT startup ecosystem got record investments totaling about US\$ 36 billion, up from US\$ 11 billion in 2020.

Amazon Web Services has announced the launch of its second AWS infrastructure region in India - the AWS Asia Pacific (Hyderabad) Region. By 2030, it is anticipated that the region will support more than 48,000 full-time jobs annually thanks to investments totaling more than US\$ 4.4 billion in India.

With IT-BPO sector being the major sector to undertake background screening, some facts relating to employment opportunities are presented below.

- In FY22, the top three Indian IT companies, TCS, Wipro and Infosys, are expected to offer 1.05 lakh job opportunities due to the increasing demand for talent and skill.
- India's IT and business services market is projected to reach US\$ 19.93 billion by 2025.
- According to Gartner estimates, IT spending in India was forecasted to be US\$ 81.89 billion in 2021 and further increase to US\$ 101.8 billion in 2022.

Source: <https://www.ibef.org/industry/indian-it-and-iTeS-industry-analysis-presentation>

Challenges for service providers If the players in the HR industry want to capitalize on their increasing role in driving client organization growth, they must reflect on how they can turn this opportunity into an exponential growth trajectory for themselves.

- Build on home-grown expertise to develop Indian frameworks – Service providers face an urgent need to invest in extensive R&D to build on expertise through home-grown solutions and frameworks that will address local challenges.
- Maintain talent calibre – As a



result of increased number of projects, service providers have resorted to engaging fresh talent from the industry who are often much junior and are less experienced than the client representative themselves.

This has resulted in a credibility gap in the eyes of the client organization.

- Create measures to calculate business impact - As HR in client organizations struggle to show the ROI of these interventions, service providers have to prepare themselves with appropriate metrics that can demonstrate real business impact either on the top line or the bottom line. This will meet the urgent need to establish a link between fee and desired outcome.
- Pricing pressures will build with increased market competitiveness – The increasing number of players entering this space will lead to market cannibalization and therefore impact pricing. For example, a larger strategy consulting firms will find itself competing with HR consulting firm for certain assignments or even take up executive search or leadership development projects, taking away business from the traditional executive search firms.
- Choose your game plan - As the industry evolves, service providers will need to choose between positioning themselves either as a one-window-service provider or a niche expert. Both will find a space in this growing market.
(Source: <http://peoplematters.in/articles/cover-story/cover-story-the-industry-of-hr>)

EMERGING TRENDS & KEY FUTURE GROWTH DRIVERS

While the growth of the background screening industry in India over the past decade has by itself been very exciting, the future holds even more promise. Apart from the clear growth drivers of the Indian economic growth story, and the increasing number of sectors adopting it as a good HR practice, we are seeing some clear trends which will give an added impetus to the Indian background check industry.

Expansion across sectors, and organization sizes

While it was far easier to count and name the sectors which had adopted background checks as part of their hiring process, the reverse will become true over the next decade. It will be a question of time, before it is possible to name those sectors which have not adopted background screening. Over the past decade, the list of adopters has grown to include :

- IT / ITes
- Hospitality
- Retail
- Pharmaceuticals
- Hospitals
- Banking
- Insurance
- Micro finance institutions and other NBFCs
- Automobile and their ancillaries
- Staffing and manpower supply organisations
- Infrastructure
- Logistics and transportation, including cargo
- Realty and construction
- FMCG
- Airlines
- Credit research
- Advertising
- E-Commerce
- Cab aggregators
- Payment gateways
- Asset Management Companies

We believe very soon background screening will become a part of the standard operating guidelines of every HR organisation. In fact, it is not even inconceivable, that as in the US and Europe, it will even extend to Government bodies.

Extension to contract and other support staff

Earlier, the trend was for organisations to conduct background checks only for their full-time employees. As screening was seen as a cost, rather than a necessary risk mitigation practice, organisations preferred to avoid the cost of undertaking this for outsourced staff (sourced from manpower supply organisations) and for support staff (such as housekeeping, security, canteen staff, etc.).

Over the past few years, there is an increasing awareness that with the increasing number of such employees – in some organisations, their numbers are even larger than the regular employees – the need to see that left unscreened, these could also be a clear source of risk to the other employees of the organisations.

Prospective employers asking for a 360 degree view



One interesting evolution in the background screening space has been that employers are no longer willing to take a decision on a prospective candidate, by only verifying his past education, employment and criminal history antecedent. They are now increasingly looking for a 360 degree view of the candidate, which gives them the confidence not just that the candidate's resume is genuine, but also that the candidate will be an overall fit into the organization. A couple of notable extensions which have happened in the past year, are the requests for social media profiling, and credit history profiling.

Some employers have been asking their employees to undergo a drug test process, as part of their pre-employment screening. This is in line with a clear view that any employee who is into substance abuse, will not only be a poor and inefficient resource for the organization, but also potentially a threat to his fellow employees. Employee screening firms typically tie up with reputed laboratories and testing facilities to get the drug tests conducted. Credit history profiling is a recent development, which has been made possible by the fact that credit rating companies in India, which till now would make their reports available only to the borrower, and the lender, have opened up the credit history reports to third parties, including employee screening companies. Especially at senior levels within an organization, or potentially sensitive ones (with high access to organizational resources such as Corporate Finance, Treasury, etc.), there is a belief that persons with poor / very poor credit history may take financial decisions which are not in the organisation's best interest, but will benefit him personally.

“Emerging global trends indicate an increase in the use of credit data during employment screening by prospective employers. It has been observed that this practice has recently begun to take root in India. A chronically credit impaired individual may be more vulnerable to indulge in corporate misappropriation than an individual who is financially disciplined and always pays their debts on time.”

Source : www.cibil.com/transunion-cibil-partners-ecommerce-and-employment-screening-firms

AADHAR, and its implications for employee screening

One of the biggest challenges for employee screening in the Indian context, as compared to the US or Europe, has been the lack of a common identifier. In the absence of a common unique identifier (such as the Social Security Number SSN in the US), doing any search across criminal records, education records, residential records, needed an intelligent (and not completely accurate) search using a combination of the individual's name, his father's name, his date of birth, etc. And this search logic would be completely thrown for a spin in case of common Indian names. The employee screening landscape is set to be transformed by the implementation of the UIDAI – AADHAR program.

“Aadhaar is a 12 digit unique-identity number issued to all Indian residents based on their biometric and demographic data. The data is collected by the Unique Identification Authority of India (UIDAI), a statutory authority established on 12 July 2016 by the Government of India, under the Ministry of Electronics and Information Technology, under the provisions of the Aadhaar Act 2016. Aadhaar is the world's largest biometric ID system, with over 1.154 billion enrolled members as of 11 June 2017. As of this date, over 99% of Indians aged 18 and above had been enrolled in Aadhaar. World Bank Chief Economist Paul Romer described Aadhaar as "the most sophisticated ID programme in world".”

Source : Wikipedia.com

At an estimated coverage of 99% of Indians aged 18 and above, which effectively covers almost the entire working population, it effectively means, all Indians in the workforce will now have an Aadhaar Number. The Government of India's recent, focused measures on making Aadhaar all pervasive, such as making it mandatory for income tax filing, linking it to PAN cards, making it mandatory for bank accounts, will effectively make the Aadhaar as all-pervasive.

From the perspective of employee screening process, this can now be used as a unique index field for searching across records and data, and to ensure almost complete accuracy of the search. This will drive quantum jumps in the digitization of employee screening. In addition, identity checks – confirming that the person claims to be who he is – which are a key mitigant for stolen / faked identities, used to be difficult to conduct in the Indian context. The surrogates available – PAN card (did not have all information required), passports (owned by only a fraction of the population) were never completely adequate. But with

Aadhaar, with its embedded bio-metric authentication, identity checks become completely accurate, and hence a powerful tool in the background check process.

Adoption of employee screening by Government and its affiliated institutions

Even today, after close to three decades of liberalization and privatization, the Government, along with its subsidiary institutions and quasi-governmental bodies, is the largest employer in India. This is not unique to the Indian economy, this is a universal truth across all economies – whatever the stage of development. However, what is unique is the fact that none of these Government employees are screened in any manner before they are recruited, trained and then assigned extremely sensitive jobs. Is it because people getting jobs with the Government, or Government bodies, are less likely to commit frauds in their resumes, or because it is believed that the recruitment process is so robust that any such fraudsters are definitely weeded out? The evidence suggests quite the contrary.



“Nearly 3,000 school teachers, who allegedly used forged certificates to procure jobs, have resigned in Bihar out of fear of legal action after the Patna high court refused to extend the deadline on voluntary resignation for teachers with fake degrees on Tuesday.”

Source: www.rediff.com/news/report/fake-degree-scam-3000-teachers-resign-fearing-action-by-patnahc/0150729.htm

Some of the sample news reports above are evidence that faked, over-stated resumes are as much a reality in Government jobs, as they are in private employment. It is precisely for this reason that most employee screening is mandatory, and sometimes even more rigorously implemented, for Government employees in most of the developed economies across the US and Europe.

We believe that this process, of screening Government employees at the time of recruitment, will become a reality in India too, sooner rather than later. When this change does take place, there will be an explosion in the size of the background screening market in the country. To get an inkling of what expansion into the Government sector will mean for the background check industry, let us look at the number of employees which are currently holding Government jobs across the country.

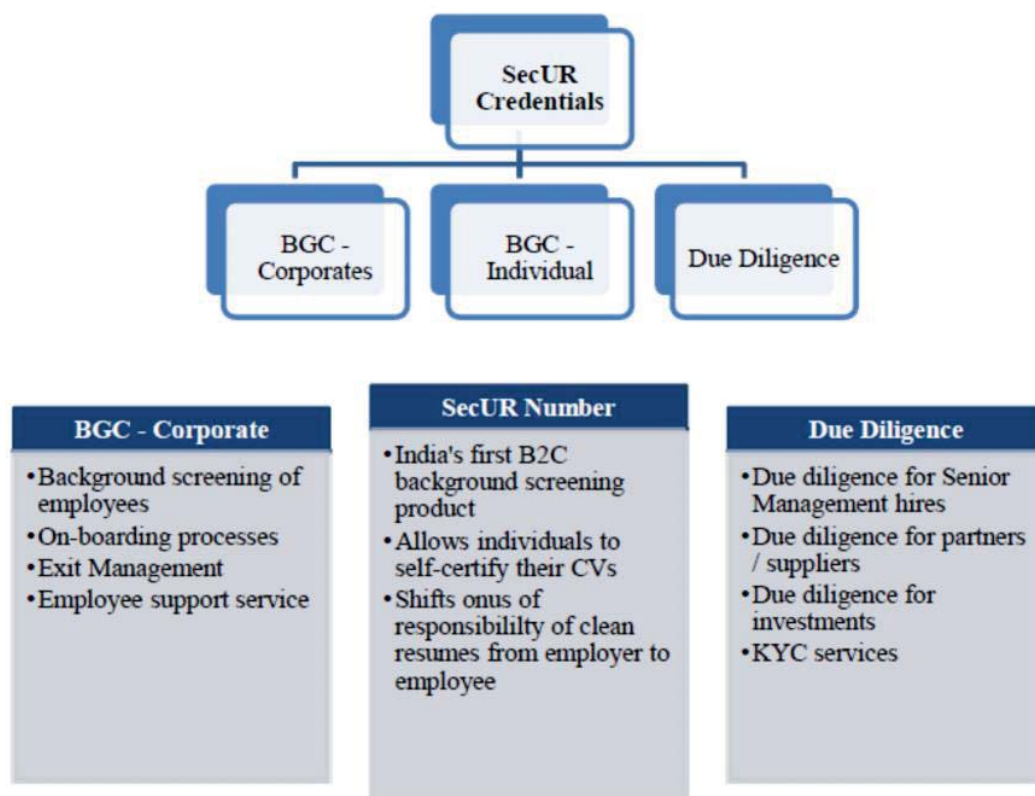


BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read 'Risk Factors' beginning on page 17 of this Draft Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition, you should read 'Financial Statements' beginning on page 72 of this Draft Letter of Offer.

Our Company is engaged in the business of Background Screening (also known as BGC - Background Check) and Due Diligence. We are the end-to-end screening services provider to various corporates in the country. We are one of the very few India-based BGC companies to be a member of the prestigious US-based National Association of Professional Background Screeners (NAPBS), APAC Chapter, which is the umbrella body of the largest BGC companies around the globe. Nipa Modi our Human Resource Business Vertical Head has been made the Chairperson for the Global Advisory Council (GAC) Committee of NAPBS for the year 2017-2018. As a result, we have access to the NAPBS members not just for specialised / localised services, but also as a knowledge centre for best practices. We can provide background screening services, for organisations not just in India, but across the globe through our NAPBS connections and have provided our service in countries such as US, UK, Philippines, Srilanka to name a few. Our Company is headquartered in Andheri, Mumbai, with branch offices in Mumbai, Delhi, Bengaluru, Hyderabad and Chandigarh. We can cover every PIN code of the country through our intricate hub and spoke model, which multiplies the geographies we cover through the above branch offices.

Our core focus areas are as below:



Our Products and Services and Process

I. Employee Background Screening

Talent crunch in a global work environment have made Employee Background Check & Pre-Employment Screening indispensable to building a professional and ethical workforce. The very basis of productivity and growth, an employee is also the custodian of a company's reputation and goodwill.



On the other side, an employee can be a major people risk to a company. Therefore, hiring right and determining the authenticity of information provided by a prospective employee is a necessity for any business. SecUR understands the criticality of hiring process in reducing people risk for a company. Through our Employee Background Check & Pre-Employment Screening services we provide companies comprehensive solutions in the recruiting domain that are customized, cost-effective, and value-adding. Our Employee Background Screening solutions aid clients in significantly reducing the risk of a bad hire. We work with our clients to ensure that every candidate who enters the organisation has been comprehensively screened to determine that the candidate is EXACTLY who he/she says they are.

The extent and width of the checks carried out, are customised to suit each client's particular risk perception, as well as industry specific factors. Our experience across conducting lakhs of screened cases, our all India network of branches and employees, and updated database systems has led to strong information integrity offerings to all its clients. Sensitive information like criminal background checks and credit history are conducted by local employees, a key factor for accurate employment background check. SecUR has developed professional relationships with educational institutions, legal authorities and government bodies at local levels. This enables us to retrieve comprehensive information from credible sources in a timely manner.

SecUR has stringent data security practices, underlined by our ISO/IEC 27001:2013 certification. Our empanelment with NSR (National Skills Registry), and the ongoing stringent audits conducted on our practices by our clients, that ensure sensitive information such as personal data and criminal and credit history is well guarded and channelled only to relevant personnel. Our final background screening reports are presented in clear, concise manner and according to client requirement parameters. Reports are stored on our secure database to facilitate trend analysis, success ratio and other matrices.

SecUR Hello : On-boarding services for employees

Due to the growing economy and the high employee turnover across industry sectors, there is a lot of pressure on HR practitioners for recruitment. In fact, any HR professional will claim that a majority of his time is taken up either by recruitment planning or recruitment execution.

In this context, when there is so much pressure on recruitment, one additional leakage point in the recruitment chain has caused concern to HR team : the on-boarding of new employees. HR teams have to ensure that all new employees who join are ready to hit the floor. Data shows that poor on-boarding is a key reason for early attrition of an employee. Apart from training, one major step in this is to ensure that a new employee is on-boarded properly. On-boarding of a new employee includes both – handholding a new employee through the transit period between offer letter to joining date, and ensuring that on joining date, no time is wasted in completing paperwork and other formalities of complete documentation.

In recognising this pain point for our clients, SecUR has introduced an add-on service for our clients – the SecUR Hello platform.

II. Due Diligence Services

SecUR Credentials works with our clients to provide customised Due Diligence services to our clients. The Due Diligence services provide a deep-dive understanding of individuals whom an organisation may want to employ, or partners the organisation is evaluating tie-ups with, or even entities in which an organisation is looking at making substantial investments in.

Senior Management Due Diligence

Senior management personnel, typically at CXO / CEO / COO levels, are the key to any company's business growth and direction; with more and more companies looking outside the company for senior management and board level talent and leadership - a thorough due diligence and background check helps management take an informed decision.

SecUR's Senior Management Background Checks service help Indian and global corporations make better decisions based on analytical and historical information provided by us. We provide detailed quantitative and qualitative data, which helps in verifying certain facts stated by the candidate and getting a trend analysis of his or her past performance.

Partner / Supplier Due Diligence

Choosing and empanelling the RIGHT partner or supplier is critical to a business' success, even more so in an Indian context. Selection of a partner has to encompass not just their financial or distribution strengths, but also the compatibility between the two partners. In that sense, selecting a partner or a supplier needs a lot of care and evaluation, as it has potential implications not just on the financial health of the organisation, but also their brand and reputation.

As a result, organisations which are already operating in the country, or are looking at setting up operations here for the first time, appoint SecUR to conduct a detailed Due Diligence on the potential partner. Since the Due Diligence exercise is done as

a prelude to a potential partnership, tremendous care needs to be taken by SecUR to ensure that the same is done discreetly and sensitively. A botched up Diligence exercise can lead to irreparable damage to the business plans of our client.



Due diligence exercises are also conducted by prospective investors on potential investment target companies.

III. SecUR Number

Traditionally in India, employee background screening has always been a B2B service – corporate clients opt for this service as a tool to mitigate the risk from bad hires. The way background checks are done, hence, put the onus of checking whether a resume is correct or falsified, completely on the employer. However, this need not be the case. Just as the potential employee / candidate prepares his resume, the responsibility to ensure that all the contents of the resume are complete and accurate, should also rest with him.

This is how the concept of the SecUR Number is born. The SecUR Number is India’s first service for self-certification of resumes. Basically, we believe that every candidate should be encouraged to get his resume verified and certified BEFORE applying for employment. This will serve as a “badge of honour” for the said resume, and will help the candidate make his resume stand out from the rest of the pack.

We believe that the SecUR Number will take us to the next level of growth. The potential for this multiplier of growth is tremendous. Even a minor dent in the huge market potential for a retail B2C product will give us a huge impetus in our future plans.

Our Locations

Our Company is headquartered in Andheri, Mumbai, with branch offices in Mumbai, Delhi, Bengaluru, Hyderabad and Chandigarh. We can cover every PIN code of the country through our intricate hub and spoke model, which multiplies the geographies we cover through the above branch offices.

We are one of the very few India-based BGC companies to be a member of the prestigious US-based National Association of Professional Background Screeners (NAPBS), APAC Chapter, which is the umbrella body of the largest BGC companies around the globe. As a result, we have access to the NAPBS members not just for specialised / localised services, but also as a knowledge centre for best practices. We can provide background screening services, for organisations not just in India, but across the globe through our NAPBS connections and have provided our service in countries such as US, UK, Philippines, Sri Lanka to name a few.

Our Technology: SYMPHONY 3.0

Currently we are using the software “SYMPHONY 3.0” which is a proprietary integrated workflow software of CRP Risk Management Limited that seamlessly directs, tracks and controls the flow of work at SecUR. It is built on a Java Platform, and offers real-time, online movement of processes, as well as information. We have been using this software since last one year by paying the usage charges. Symphony 3.0 has been audited and approved by most of our large IT clients from an information security perspective.

Our Competitive Strengths

The following are our principal competitive strengths, which, we believe, are our key differentiating factors from the rest of the competition:

4. Wide Range of Services:

We have a strong solution oriented mindset which enables us to understand the issues which our clients face, and try and work out solutions which will help them resolve these. One example of this is SecUR Hello, which is our online on-boarding platform, which has effectively bridged the gap which the HR departments face, while making offers to new employees, and ensuring they are effectively and seamlessly on-boarded.

2. National player, with global footprint:

We are among the few players in this space (background screening) who are present in all major cities having pan- India presence. This means that any corporate who signs up with SecUR does not have to look at multiple partners in different parts of the country. In addition, because of our partnerships across the world, even when a client requires any background checks to be done in other countries, they can continue do so through SecUR.

3. Our process:

The delivery of our processes is managed through a combination of high end technology and standardized ISO/IEC 27001:2013 certified processes, across locations.

4. Focus on long term revenue stream:



We believe that our associations with marquee clients is a testimony to the calibre of our products and services. We have always focussed on being in a long-term associations with our clients, which will eventually help us generate revenues on a long-term basis.

Our Business Strategy

1. Extension of target client segments:

The target client segment for the BGC industry has traditionally been the large companies, in the sectors which have large manpower bases – such as IT/ITES, Banking, Insurance, Retail, Pharmaceuticals, etc. Over the past year, we have worked hard to turn this theory on its head – we have redefined the potential target market as ANY organisation, in ANY sector. With this change in strategy, our potential market has become very large.

2. Expansion of our service and geographical offerings

We will continue to expand our services across both geographies, as well as through opportunities to position our service offerings in segments adjacent the current verticals serviced by us. The expansion in geographies has already commenced this year, through aggressive expansion of our branch office presence in Tier II and Tier III cities, in line with the expansion plans of some of our key clients. For example, we have already set up branch offices in locations like Guwahati, Lucknow, Chandigarh and Cochin, to be able to match our clients' growth footprint. In addition, we intend to grow in the Asian markets, to match the global match the global footprint of our existing clients.

3. Use of SecUR Number to redefine the market space

One of the most ambitious goals for SecUR Credentials, and one of the primary utilisations of the funds raised, is the launch of the SecUR Number. The SecUR Number is planned as a retail B2C background screening product. Unlike most of the background screening which is currently aimed at corporates for their pre-hiring requirements, the SecUR Number will be a self-certification tool which will be used by potential candidates to demonstrate that their resumes are genuine, and have been screened and certified by one of the country's largest employee screening companies.

4. Strong Industry vertical based focus

Our strength lies in the fact that the verticals to which we provide our products and services have consistently shown excellent growth rates, which in turn means better growth opportunities for us. The services sector boom, which is primarily led by Finance, Insurance, BFSI and the BPO/KPO and the Retail industry, are the sectors to which our Company provides services. We will continue to strengthen ourselves in this segment.

Competition

Our current main competition in the Asia market over the next three years, will be from large multinational companies, which have already built substantial client business, and have the financial as well as technological capability to compete aggressively with us. A bulk of the Indian background screening companies are local or regional in nature with a few having national presence.

Approach to Marketing & Marketing Set-up

Our Company has been focusing on acquiring new customers through its direct and indirect channels. We have a Sales & Marketing team in place in India. Going forward we intend to strengthen our Sales team, which would be one of the strategies to enhance our business goals and sales revenues.

The Marketing strategy will include

- Leveraging existing customers
- Further strengthening of the SecUR brand through marketing and PR activity
- Induction of a pre-sales team in India for cold calling, proposal drafting and handling all the requirements of the sales partners.



We undertake a detailed exercise periodically to identify existing and prospective clients with the potential to develop into large clients. Our senior management is actively involved in managing client relationships and business development through targeted interaction with multiple contacts at different levels in the client organization. Attrition Analysis of Clients and Lost Client Analysis are undertaken on a regular basis to detect flaws in our service delivery.

Our Human Resources Philosophy

As an organisation, SecUR believes that there are two primary pillars to our existence – our clients, and our employees. Our HR philosophy is designed around these two pillars. We believe in empowerment, with a strong sense of respect. In this direction, our organization constantly encourages and supports freedom of ideas and enterprise. We encourage employees to:

- Develop relationships that celebrate diverse ideas, and perspectives
- Respect co-workers irrespective of nature of work and responsibilities
- Constantly strive to be better at what we do, both individually and as a team
- Have a sense of enterprise with rewards for results
- Celebrate achievements and reward for superior performance

Imbibed in these guiding principles we constantly develop and evolve our Human Resource processes. We follow best in class practices in the field of human resources. Our vision is to build an empowered and engaged team, which passionately believes in the value we are trying to create for our clients.

Our Quality Management

SecUR has made world class quality practices one of the primary pillars on which its business delivery, and client service philosophy, is constructed. Our vision has our focus on customers, and quality service, as the principal platform. We have been ISO 27001:2013 certified. Our processes are regularly audited not only by professional audit bodies, but also by some of our largest clients, on a regular basis. Some of the internal practices which have been adopted to enforce our Quality Policy include:

- Dedicated Quality Check and Internal Audit teams, independent of regular operational delivery
- Inter department SLA’s (Service level agreements)
- Stringent audit trails and quality checks at every process, built into our Symphony workflow platform
- Dashboards, for each process, reviewed at different levels within the organisation, all the way up to the CEO
- Complete transparency to Client, including open access into our systems
- Escalation Matrix shared with Clients

Business Continuity Planning/Disaster Recovery

In order to ensure a level of readiness to maintain the continuity of critical business and services to customers, we have put together a business continuity management framework, which encompasses key functions, projects/workflows and systems. We have invested in developing and implementing an effective business contingency plan, along with mitigation measures for recovery of IT infrastructure and operations, in the event of a disaster. Along with the preparation of Business Continuity Planning and Disaster Recovery plans, regular disaster recovery trials and mock drills are carried out across all customer projects. Backup copies of essential business data and software are taken regularly and stored offsite. Our BCP and DRP plans are in line with ISO 27001:2013 best practices.

In addition, we have moved our workflow system Symphony 3.0 into a cloud-based environment, using the Microsoft Azure platform. Effectively, this has made each of our branch locations across the country a potential BCP site.

Collaborations

We have not entered into any technical or other collaboration.

Utilities & Infrastructure Facilities

Our registered office is located at Mumbai. Our offices across the country are equipped with the latest computer systems, servers, relevant software, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Human Resource

As on March 31, 2023, we have 117 personnel working for us as detailed below:

Particulars	No. of employees
Management cadre	2



Officers/Managers	10
Back Office	90
Office Support/Other staff	15
Total	117

Past Production Figures Industry-wise

For details of the industry data please refer to section “Industry Overview” on page 47.

Export Obligations

Our Company does not have any export obligations.

Future prospects

India’s GDP Growth Rate is projected to continue in the range of 7-10 percent, over the next five years. In addition to this generally favourable outlook for the economy, there are also specific drivers which will support and contribute to our business plans.

The penetration of background screening is on the rise and so is the people being checked and screened. The increasing hiring numbers, heightened security concerns and measures, employee related fraud in the banking and IT sectors and the ever-present cost pressures, all adds positively for the growth targets for SecUR’s core business of Employee Background Screening.

A wide range of businesses, from private companies to banks disbursing loans are realizing the need for background checks. It is not uncommon for prospective employees to include false information on their resumes; loan applicants, too, create fake identities.

The widespread issuance of Aadhaar cards, and the willingness of companies to share employee data, is making things easier. BCG Companies can access Aadhaar-related information to verify a person’s identity, with their photograph, date of birth, and father’s name. Such information is usually requested by banks to issue loans, and large-scale employers such as delivery services and cab aggregators to name a few.

Capacity and Capacity Utilization

Our Company is operating into service sector. The nature of business prohibits it from reasonably ascertaining installed capacity and therefore capacity utilization. Hence existing installed capacities and capacity utilization for past three years and next three years are not being given.

Property

The following table sets forth the location and other details of the owned / Leased properties of our Company:

Sr No.	Description of Property	Name of Lessor	Tenure	Purpose
1.	8th Floor, A Wing, Prism Tower, Mindspace, Malad, West Mumbai – 400064	Hamlet Constructions (India) Pvt Ltd. 111-A, Mahatma Gandhi Road, Fort, Mumbai 400001.	36 Months	Office

Intellectual Property Rights



Our Company owns a trademark ‘SecUR Number’ which was registered on November, 06, 2017 under the Trademarks Act, 1999. Company has protected its Intellectual property to avoid any infringement.

Insurance

Our Company has not obtained any insurance.



HISTORY AND CORPORATE STRUCTURE

BRIEF CORPORATE HISTORY OF OUR COMPANY

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra, Mumbai dated August 14, 2001 with the name 'Axis Resources Private Limited'. Subsequently the name of our Company was changed to 'SecUR Credentials Private Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai on July 18, 2016. Subsequently, our Company was converted into a public limited company pursuant to approval of the shareholders at an extraordinary general meeting held on July 19, 2017 and consequently, the name of our Company was changed to 'SecUR Credentials Limited' and a fresh certificate of incorporation consequent upon conversion to public limited company was issued by the Registrar of Companies, Maharashtra, Mumbai on July 27, 2017. Our corporate identification number is U74110MH2001PLC133050.

Our Company is bearing Scrip ID 'SECURCRED', BSE Scrip Code '543625', and ISIN 'INE195Y01010'. The Corporate Identification Number of our Company is U74110MH2001PLC133050.

CHANGES IN OUR REGISTERED OFFICE

As on filing this Letter of Offer, our registered office of our Company is located at 8th Floor, Unit No. 5, Off Link Road, Mindspace, Malad (West), Mumbai City, Maharashtra-400064, Maharashtra, India.

Following are the details of the changes in the address of the registered office of our Company since incorporation:

From	Address To	Effective from	Reason for change
39, Nandghanshyam Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India	52, Nandghanshyam Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India.	March 1, 2013	Administrative Convenience
52, Nandghanshyam Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India	A-303, Classique Centre, Off. Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India.	July 21, 2016	Administrative Convenience
A-303, Classique Centre, Off. Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India	2, Nandghanshyam Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India.	February 24, 2017	Administrative Convenience
52, Nandghanshyam Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India	A-303, Classique Centre, Off. Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, India.	June 5, 2017	Administrative Convenience

MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. "To carry on the business of various types of technologies i.e. consultancy, advisory and vendor services in relation to human relations, including pre-employment screening, Post employment screening, criminal background checks, education checks, database checks, previous employment checks, residence checks, credit history checks, online profile checks, drug screening, due diligence on employees, vendors, customers and other partners, personnel training, business processes and preventive risk management services, training, customer satisfaction survey, customer retention programs, research and analysis, field data collection, asset verification and management, internal control management, anonymous reporting systems, workplace surveillance, internal and external audits, operational audits, process audits, financial audits, intellectual property rights, investigative and detective services including fraud investigation, claims assistance and investigation for insurance, third party administrators, health management organizations and such other insurance auxiliary and supportive fields."



The main object as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Issue.

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	<p>Clause III (A) of the Memorandum of Association was altered to include the following at point no. 2: “To carry on agency services for investigating activities connected to fraud control and risk management in banking insurance (covering but not limited to property, transit, life, health, accident and any such insurance product) manufacturing, trading, government, public sector undertakings, foreign governments & their embassy, legal firm and any such industries that might avail our investigating services”.</p>	July 17, 2003	EGM
2.	<p>The then existing object clause nos. 1 to 41 of Part B of clause III of the Memorandum of Association being Objects Incidental or Ancillary to the Attainment of Main Objects of the Memorandum of Association of the Company were re-numbered as clause nos. 2 to 42. The then existing object clause nos. 1 to 79 of Part C of clause III of the Memorandum of Association being Other Objects of the Memorandum of Association of the Company were re-numbered as clause nos. 43 to 121.</p> <p>Insertion of the following clause as clause no. 122 under the Other Objects: “122. To carry on the business in India or abroad of arranging, promoting, encouraging, establishing, developing, maintaining, organizing, undertaking, managing, operating, counselling and conducting job placement, placement guidance, job interview, recruitment guidance and assistance, career guidance, contract staffing and vocational training services, assistance and guidance for taking job entrance tests, university entrance tests and also for admissions to various educational and vocational Institutions to pursue various academic and vocational courses both in India and abroad and testing, training, coaching and application counselling.”</p>	July 17, 2009	EGM
3.	<p>Insertion of the following clauses as clause nos. 123 and 124 under the Other Objects: “123. To carry on in India or elsewhere, either alone or jointly with one or more person, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, Develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, taste, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist and to act as civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker, Supervisor, administrator, contractor, sub-agent, broker, supervisor, administrator, contractor, sub- contractor, turnkey contractor and manager of types of constructions & developmental work in all its branches such as roads, ways, culverts, dams, broads, ways, culverts, dams, bridges, railways, tramways, water, tanks, reservoirs, canals, wharves, warehouses, factories, buildings, structures, drainage & sewage works, water distribution & filtration systems, docks, harbours, piers, irrigation works, foundation works, flyovers, airports, runways, rock drilling, aqueducts, stadiums, hydraulic units, sanitary work, power supply works, power stations, hotels, hospitals, dharmashalas, multistories, colonies, complexes, housing projects, Automatic Teller Machines (ATM), and other similar works and for the purpose to acquire, handover, purchase, sell, own, cut to size, develop, distribute or otherwise to deal in all sorts of lands & buildings and to carry on all or any of the foregoing activities for building, materials, goods, plants, machineries, equipments, accessories, parts, tools, fittings, articles, materials, and facilities of whatsoever nature and to do all incidental acts and things necessary for the attainment of foregoing objects.</p> <p>124. To purchase, acquire, hire, sell, resale, take on lease or in any other lawful manner any area, movable or immovable property, land, plot(s) of land or any right or interest therein either singly or jointly or in Partnership with any person(s) or Body corporate or partnership Firm and to develop and construct thereon residential, commercial complex or complex(es) either singly or jointly or in partnership as aforesaid, comprising offices for sale or self-use or for earning rental income thereon by letting out individual units</p>	July 31, 2013	EGM



Sr. No.	Particulars	Date of Meeting	Type of Meeting
	<p><i>comprised in such building(s).”</i></p>		
4.	<p>Insertion of the following clauses as clause 43 and 44 after the then existing clause 42 of the Memorandum of Association being Objects Incidental or Ancillary to the Attainment of Main Objects of the Memorandum of Association of the Company:</p> <p><i>“43. To do business of various types of technologies i.e. consultancy, advisory and vendor services in relation to human relations, personnel training, business systems and preventive risk management services, pre-employment screening Postemployment screening, criminal background checks, education checks, database shifts, previous employment checks, training, customer satisfaction survey, customer retention programs, research and analysis, field data collection, asset verification and management, health check-ups, drug screening, internal control management, anonymous reporting systems, workplace surveillance, internal and external audits, operational audits, process audits, financial audits, intellectual property rights, investigative and detective services including fraud investigation, claims assistance and investigation for life, general, health insurance, third party administrators, health management organizations and such other insurance auxiliary and supportive fields.</i></p> <p><i>44. To undertake, handle and carry out business in India and abroad connected with events for different corporate, companies or individuals which include any happening such as organizing and management of luxury events, government and private events, brand promotion activity & road shows, seminars, fashion shows, concerts, lavish parties, conferences, social events, exhibitions, event management shows, fashion shows, organizing fairs, meets, product launches and to acquire, purchase, sale, import or export, let on hire, install for that purposes various things, equipments and systems viz. audio visual systems, Setting up Toll free customer help line, display panels and boards, conference kit and guides and to provide support services including venue decor and infrastructural support as providing venue booking, no objection certificates and government permissions, sound and light arrangements, fabrication of stalls, stage platforms, decorative items, transportation and labour or any other device or systems to execute the said business.”</i></p> <p>The then existing object clause nos. 43 to 124 of Part C of clause III of the Memorandum of Association being Other Objects of the Memorandum of Association of the Company were re-numbered as clause nos. 45 to 126.</p>	September 25, 2015	EGM
5.	<p>Clause III (A) of the Memorandum of Association was altered from:</p> <p><i>“1. To carry on business as general commercial agents, credit, operational services and undertake and transact all kinds of agency business; including acting as forwarders, manufacturers and commercial representatives, manufacturers and mercantile agents, service agents, commission agents, banking agents, telecommunication, export and import agents, factors, shipping agents, air cargo and air service agents, indent agents, insurance agents, shippers, dealers, charterers, auctioneers, brokers, loss assessors, and adjusters, transport, and travel agents, and baggage agents in all their respective branches.”</i></p> <p>To</p> <p><i>“1. To carry on the business of various types of technologies i.e. consultancy, advisory and vendor services in relation to human relations, including pre-employment screening, Post employment screening, criminal background checks, education checks, database checks, previous employment checks, residence checks, credit history checks, online profile checks, drug screening, due diligence on employees, vendors, customers and other partners, personnel training, business processes and preventive risk management services, training, customer satisfaction survey, customer retention programs, research and analysis, field data collection, asset verification and management, internal control management, anonymous reporting systems, workplace surveillance, internal and external audits, operational audits, process audits, financial audits, intellectual property rights, investigative and detective services including fraud investigation, claims assistance and investigation for insurance, third party administrators, health management organizations and such other insurance auxiliary and supportive fields.”</i></p>	June 29, 2016	EGM
	<p>The name of our Company was changed from ‘Axis Resources Private Limited’ to ‘SecUR Credentials Private Limited’</p>		
	<p>Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from 1,00,000 consisting of 10,000 Equity shares</p>	March 31, 2017	EGM



Sr. No.	Particulars	Date of Meeting	Type of Meeting
	of 10.00 each to 1,00,00,000 consisting of 10,00,000 Equity Shares of 10.00 each.		
	Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from 1,00,00,000 consisting of 10,00,000 Equity Shares of 10.00 each to 4,00,00,000 consisting of 40,00,000 Equity Shares of 10.00 each.	June 23, 2017	EGM
	Clause V of the Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from 4,00,00,000 consisting of 40,00,000 Equity Shares of 10.00 each to 6,00,00,000 consisting of 60,00,000 Equity Shares of 10.00 each.	July 10, 2017	EGM
	Our Company was converted into a public limited company under the Companies Act, 2013 and the name of our Company was changed to 'SecUR Credentials Limited' pursuant to fresh certificate of incorporation consequent upon conversion to public limited company dated July 27, 2017 issued by the Registrar of Companies, Maharashtra, Mumbai.	July 19, 2017	EGM
	The Memorandum of Association was restated in order to be compliant with the provisions of the Companies Act, 2013.		

Major Events and Milestones

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
2001	Incorporation of our Company as 'Axis Resources Private Limited'
2016	Buyout of the then 100% total paid-up equity share capital of our Company by our existing Promoters from the then existing Promoter of our Company.
	Change in name of our Company from 'Axis Resources Private Limited' to 'SecUR Credentials Private Limited'
	Became India partners for Background Check activity for one of the largest US-based background check service providers.
	Our Company became a member of the APAC Chapter of the US-based National Association of Professional Background Screeners.
2017	Became exclusive India partner for ClearStar Inc., a large Background Check service provider based in the United States of America.
	Nipa Modi, one of our Key Managerial Personnel got elected as Chairperson of the Global Advisory Committee of the US-based National Association of Professional Background Screeners (NAPBS).
	Conversion of our Company from Private Limited Company to Public Limited Company.

Other Details regarding our Company

For details of our Company's corporate profile, business, marketing, the description of our activities, services, market segment, the growth of our Company, standing of our Company in relation to prominent competitors with reference to our services, environmental issues, technology, market, major suppliers, major customers and geographical segment, please refer "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 56 and 69, respectively.

For details of the management of our Company and its managerial competence, please refer "Our Management" on page 64.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt, please refer "Capital Structure" on pages 38.

Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company.

Changes in the Activities of our Company during the last five years

Other than as mentioned above in 'Our Business' and 'History and Certain Corporate Matters' beginning on page 77 and 88, respectively, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.



Changes in the Management

During the year under review, Mr. Ashish Ramesh Mahendrakar was appointed as an Executive Director w.e.f. 01th January, 2023. Except this, there was no change in the constitution of Board of Director in past one year

Defaults or rescheduling of borrowings from financial institutions / banks and conversion of loans into equity.

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements. Further, none of our loans have been rescheduled or been converted into Equity Shares

Lock outs and strikes.

There have been no lock outs or strikes in our Company since its incorporation.

Time and cost overruns.

Our Company has not experienced any time or cost overruns.

Details regarding acquisition of business/undertakings, mergers, amalgamations and revaluation of assets

Our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets.

Holding Company of our Company

As of the date of the Draft Letter of Offer, our Company is not a subsidiary of any Company

Subsidiary of our Company

As of the date of filing the Draft Letter of Offer, company does not have any subsidiary company.

Collaboration Agreements

As on the date of the Draft Letter of Offer, our Company is not a party to any collaboration agreements

Shareholders' Agreements

As on the date of the Draft Letter of Offer, our Company has not entered into any shareholders' agreements

Material Agreements

Except as described in this section, we have not entered into any material contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by us or contract entered into more than two years before the filing of the Draft Letter of Offer.

Memorandum of Understanding Agreement related to Software and Database Acquisition and Usage entered into between CRP Risk Management Limited and our Company

Vide Memorandum of Understanding Agreement related to Software and Database Acquisition and Usage dated August 28, 2017 our Company has agreed to purchased Symphony 3.0 along with its Database from CRP Risk Management Limited (erstwhile Promoter of our Company) which is a software application developed and maintained by the inhouse Software Professional team of CRP Risk Management Limited.

Symphony 3.0 is the third generation of a Java-based workflow software solution by CRP Risk Management Limited used for businesses of employee background screening, employee background verification, employee background checking, due diligence, and such related activities. It is built on a Java Platform, and offers real-time, online movement of processes, as well as information.

The SYMPHONY 3.0 Software along with its database is agreed to be acquired by our Company from CRP Risk Management Limited for an aggregate consideration of 797.03 lakhs. Out of the said consideration 69.00 lakhs has already been paid by Secur Credentials Limited. Our Company intends to utilize 728.03 out of the proceeds of this Issue for making the aforesaid payment to CRP Risk Management Limited for acquisition of SYMPHONY 3.0 Software along with its database. For further details please refer 'Objects of the Issue' on page 41.



Strategic and Financial Partners

As of the date of the Draft Letter of Offer, our Company does not have any strategic or financial partners.

Number of Shareholders

Our Company has 6,233 (Six Thousand Two Hundred Thirty-Three) shareholders on date of the Draft Letter of Offer.



OUR MANAGEMENT

BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a general meeting.

As on date of this Draft Letter of Offer, our Company currently has 7 (Seven) directors on its Board, 2 (Two) Executive Director and 5 (Five) Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

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

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<p>RAHUL BELWALKAR Designation: Executive Director, Chairperson and Managing Director DIN: 02497535 Date of Birth: November 23, 1973 Age: 50 years Occupation: Professional Address: 6, Anjaneshwar Society, Tejpal Scheme Rd - 3, Vile- Parle (East), Mumbai- 400 057 Nationality: Indian PAN: ACAPB6244K Original Date of Appointment: November 01, 2016 Date of Re-appointment/ Regularization: December 28, 2021 Current Term: Five years w.e.f November 02, 2021 Qualification: Post Graduate Diploma in Management from Indian Institute of Management, Lucknow & Bachelor's degree in Commerce from Mumbai University. Experience: He has experience of about 20 years in Background Screening and BFSI sector. Before joining our Company, Mr. Belwalkar worked as the Chief Executive Officer for CRP Risk Management Limited. In the past he has held multiple executive and senior positions, including Head – Business Process for Reliance Life Insurance Company Limited and Head – Client Service and Operations for ICICI Prudential Life Insurance Company Limited. At our Company he is responsible for the strategic vision of making our Company a leading organisation providing due diligence practices in Background Screening and BFSI sector. He has been on our board since November 01, 2016.</p>	<ol style="list-style-type: none"> 1. Secur Automated Solutions Private Limited 2. Maha Youth Foundation 3. Secur Staffing Services Private Limited
<p>ASHISH RAMESH MAHENDRAKAR Designation: Executive Director DIN: 03584695 Date of Birth: June 20, 1971 Age: 52 years Occupation: Professional Address: Gangurde Chawl, Murbad Road, Murarbag, Subhash Chowk, Kalyan(west), Kalyan, Thane, Maharashtra-421301 Nationality: Indian PAN: AIWPM6333N Original Date of Appointment: January 05, 2023 Date of Re-appointment/ Regularization: *NA Current Term: Appointed w.e.f. January 05, 2023, Liable to retire by rotation Qualification: Masters in Management Studies (MMS) in Finance. Experience: Mr. Ashish Mahendrakar is Self-driven, motivated, and detail-oriented at managing all operations. He has done Masters in Management Studies (MMS) and also held various senior position in well-known group of India. He brings over 15 years of rich experience in field of Accounts, Banking & Finance and handled various department such as HR, Administration.</p>	<ol style="list-style-type: none"> 1. Birla Power Solutions Limited 2. Secur Credentials Limited 3. Birla Research & Lifesciences Limited 4. Birla Kerala Vaidyashala Private Limited 5. Birla Aircon Infrastructure Private Limited 6. Birla Wellness and Healthcare Private Limited
<p>MITHUN KOTHARI Designation: Non-Executive Independent Director DIN: 07520793</p>	



Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<p>Date of Birth: August 30, 1990 Age: 33 years Occupation: Professional Address: [•]. Nationality: Indian PAN: BRGPK9662J Original Date of Appointment: December 12, 2019 Date of Re-appointment/ Regularization: December 23, 2020 Current Term: 5 (Five) Years w.e.f December 23, 2020 Qualification: Qualified Chartered Accountant from ICAI & Bachelor of Commerce from Mumbai University. Experience: He is having eight years of experience in the field of financial and accounting consultancy.</p>	NIL
<p>AMIT KUMAR BHARTI Designation: Non-Executive Independent Director DIN: 07899905 Date of Birth: July 14, 1975 Age: 48 years Occupation: Financials Consultant Address: 9 Narayanee, Chedda Nagar, Opp. Modern English School, Chembur, Mumbai, Maharashtra, India – 400089 Nationality: Indian PAN: AHGPB6216N Original Date of Appointment: August 04, 2017 Date of Re-appointment/ Regularization: August 04, 2022 Current Term: 5 years w.e.f. August 04, 2022 Qualification: B.A – Delhi University, 1997 MBA Marketing – Pune University – 2000 CAIIB 2005 Experience: Experiences Banking Professional and a seasoned consultant with over 20 years of experience in credit and operations. Proven track record of achieving business objective, optimizing performance and fostering client relationships. An accomplished team player with strong work ethic and a commitment to achieving organizational goals.</p>	NIL
<p>SHIREEN MOHD HANEEF KHAN Designation: Non-Executive Independent Director DIN: 08669626 Date of Birth: 18thSeptember, 1997 Age: 26 years Occupation: Professional Address: 104 Baitul Wafa, Almas Colony Road, Near Abdullah Garib Polytechnic College, Kausa, Thane, Mumbai, Maharashtra-400612 Nationality: Indian PAN: HQJPK2833K Original Date of Appointment: January 13, 2021 Date of Re-appointment/ Regularization: December 28, 2021 Current Term: Independent Director upto August 3, 2027 Qualification: Bachelor's of Commerce from Mumbai University Experience: In Marketing Field</p>	1. Melstar Information Technologies Limited
<p>PRATEEK JAIN Designation: Non- Executive Independent Director DIN: 08611660 Date of Birth: June 17, 1990 Age: 33 Years Occupation: Professional Address: Gali No. 2, Behind Reliance Petrol Pump, Opposite Vidyut Colony, Shyampura, Banswara, Rajasthan-327001 Nationality: Indian PAN: ATKPJ6910B Original Date of Appointment: July 08, 2022 Date of Re-appointment/ Regularization: September 19, 2022 Current Term: 5 years w.e.f. September 19, 2022</p>	NIL



Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
Qualification: Qualified Chartered Accountant from Institute of Chartered Accountant of India (ICAI) Experience: He is having rich experience in driving financial leadership across prominent organization with proven success in ensuring optimum results	
JAYKISHAN DARJI Designation: Non- Executive Independent Director DIN: 09663640 Date of Birth: June 13, 1990 Age: 33 Years Occupation: Professional Address: B-506, Shanti Deep, Nr. Anand Party Plot, New Ranip, Ahmedabad, Gujarat-382480 Nationality: Indian PAN: AZKPD8020C Original Date of Appointment: July 08, 2022 Date of Re-appointment/ Regularization: September 19, 2022 Current Term: 5 years w.e.f. September 19, 2022 Qualification: Qualified Chartered Accountant from Institute of Chartered Accountant of India (ICAI) Experience: He has rich experience in entire gamut of accounting & finance operations entailing preparation. He is Competent problem-solver with proven capabilities of working in dynamic teams in a fast-paced environment.	NIL

*Not Applicable

PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

PAST DIRECTORSHIPS IN DELISTED COMPANIES

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

RELATIONSHIP BETWEEN DIRECTORS

As on the date of this Draft Letter of Offer, None of the Directors are related to each other.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

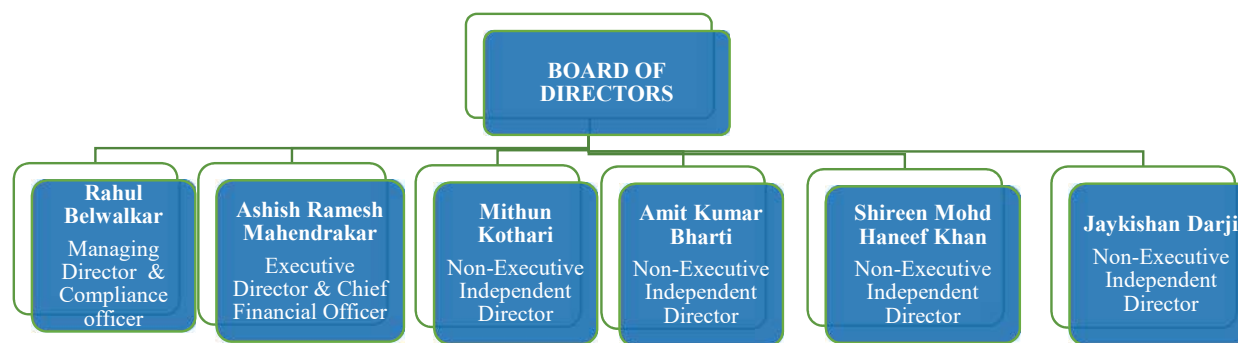
Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

DETAILS OF SERVICE CONTRACTS ENTERED WITH DIRECTORS

Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

ORGANISATIONAL STRUCTUREANISATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

Since the Company is falling within the criteria of Regulation 15 (2) of SEBI (LODR) Regulations, therefore, the Corporate Governance requirement are not applicable to the Company as on March 31, 2023. However, the Company has complied with the requirements of corporate governance provisions composition of its board of directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders relationship committee, etc. as prescribed under the provisions of the Companies Act.

1. AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
o Mithun Kothari	Chairman
o Amit Kumar Bharti	Member
o Shireen Mohd Haneef Khan	Member

The role of the Audit Committee includes the following:

- o Overseeing the Company’s financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- o To recommend the appointment, re-appointment and removal of Auditors, fixing of audit fees and approval of payments;
- o Reviewing with management the Annual financial Statements before submission to the Board;
- o Reviewing with the management and external Auditors, the adequacy of internal control systems
- o Reviewing the adequacy of Cost Audit function;
- o Discussing with Cost Auditors any significant findings and follow up on such issues;
- o Discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;
- o Reviewing the Company’s financial and risk management policies; and
- o Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- o To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- o Review the internal audit reports relating to internal control weaknesses;
- o Scrutinize inter-corporate loans and investments;
- o Review the functioning of the Whistle blower mechanism
- o Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- o Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.



- To investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted in terms of section 178 (3) of Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
○ Mithun Kothari	Chairman
○ Amit Kumar Bharti	Member
○ Shireen Mohd Haneef Khan	Member

The Company Secretary of our Company shall act as the Secretary to the Nomination and Remuneration Committee. The details of this policy are available on the Company’s website <https://secur.co.in/investors/>.

The role of the Nomination and Remuneration Committee are as follows:

- To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/ reappointment/ removal of the Executive /Non-Executive Directors and the senior management of the Company;
- Recommend to the board appointment of key managerial personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include “formulation of criteria for evaluation of independent directors and the Board”
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal.
- The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in terms of section 178 of Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
○ Mithun Kothari	Chairperson
○ Amit Kumar Bharti	Member
○ Shireen Mohd Haneef Khan	Member

The role of the Stakeholder Relationship Committee are as follows:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To deal with Shareholders’ and Investors’ complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- To exercise all power conferred on the Board of Directors under Articles of Association.
- Attending to complaints of Investor routed by SEBI / Stock Exchanges / RBI.


KEY MANAGERIAL PERSONNEL

Status of Key Managerial Personnel		Age (Years)
MR. RAHUL BELWALKAR		
<i>Designation</i>	Executive Director, Managing Director and Chairperson and Compliance Officer to the Issue;	
<i>Address</i>	6, Anjaneshwar Society, Tejpal Scheme Rd - 3, Vile- Parle (East), Mumbai- 400 057	
<i>Date of Appointment</i>	December 23, 2020	
<i>Nationality</i>	Indian;	
<i>Educational Qualification</i>	Qualified Chartered Accountant from ICAI & Bachelor of Commerce from Mumbai University	48 years
<i>Term of Office</i>	Permanent Employee	
<i>Details of previous employment</i>	<ol style="list-style-type: none"> 1. CRP Risk Management Limited as a Director 2. DWE Projects Private Limited as a Director 3. CRP Beaumont Research (India) Private Limited as a Director 	
<i>Functions and areas of experience in the Company</i>		
MR. ASHISH RAMESH MAHENDRAKAR		
<i>Designation</i>	Chief Financial Officer	
<i>Address</i>	Gangurde Chawl, Murbad Road, Murarbag, Subhash Chowk, Kalyan(west), Kalyan, Thane, Maharashtra-421301	
<i>Date of Appointment</i>	January 05, 2023	
<i>Nationality</i>	Indian;	
<i>Educational Qualification</i>	Masters in Management Studies (MMS) in Finance	
<i>Term of Office</i>	Liable to retire by rotation	
<i>Details of previous employment</i>	<ol style="list-style-type: none"> 1. Zenith Steel Pipes & Industries Limited as a Director 2. Birla Capital and Financial Services Limited as a Director 3. Melstar Information Technologies Limited as a Whole Time Director 4. Birla Electricals Limited as an Additional Director 5. Birla Integrated Textile Park Limited as a Director 6. Godavari Corporation Private Limited as Director 7. Birla Global Corporate Private Limited as a Director 8. Nirved Traders Private Limited as a Director 9. Birla Retail & Distributors Private Limited as Additional Director 10. Shearson Investments and Trading Company Private Limited as a Director 11. Birla Edutech Limited as an Additional Director 12. Birla International Private Limited as an Additional Director 	52 years
<i>Functions and areas of experience in the Company</i>	Finance	



PROMOTERS/ PRINCIPAL SHAREHOLDERS

1. PANKAJ RAMESH VYAS

Designation: Promoter

Date of Birth: January 20, 1967

Age: 56 years

Occupation: Business

Address: B/407, Satyam C.H.S, Link Road, Opp M H B Post Office, Borivali West, Mumbai : 400091

Nationality: Indian

PAN: ADGPV4521L

Qualification: Chartered Accountant, B.Com..

Experience: 27 + Years

Role in the Company: Mr. Pankaj Vyas plays a vital role in growth and operation of the Company. He holds a vast experience of more than 27 years in auditing, taxation, finance and accounting. Under his guidance company has experience an immense growth.

Directorship: He holds a directorship in Spiro Healthcare Private Limited.

For further details, kindly refer to the, please refer to section titled **'Our Management'** beginning on page 64 of this Draft Letter of Offer.

**DIVIDEND POLICY**

Under the Companies Act, 2013, a company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

However, as on date of this Letter of Offer, neither our Company has a no dividend policy for declaration of dividend in respect of Equity Shares. The followings are the dividend, nor has declared any dividend on the Equity Shares past three years.



SECTION VII – FINANCIAL INFORMATION

SECURE CREDENTIALS LIMITED
(Restated Financial statements as at 31st March, 2023)

Independent Auditors Report as on 31st March 2023

Notes to financial statements as on 31st March 2023

Standalone Balance Sheet as at 31st March 2023

(Rs. In Lakhs)

Sr No	Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2021
I	ASSETS				
A	Non-Current Assets				
	a) Property Plant & Equipment	2A	359.38	116.05	79.18
	b) Rights of Use Assets	2B	218.94	424.72	364.90
	c) Intangible Assets	2C	952.54	1,141.60	1,152.33
	d) Capital work-in -Progress	2D	-	198.57	-
	e) Financial Assets				
	Investment	3	1.56	2.06	2.98
	- Loans		-	-	-
	- Other Financial Assets	4	626.10	604.11	610.67
	f) Deferred Tax (Net)	5	-	-	-
	g) Other Non-Current Assets	6	70.84	44.49	26.83
	Total Non-Current Assets				
B	Current Assets				
	a) Unbilled Revenue	7	1,149.14	1,155.36	947.55
	b) Financial Assets				
	-Trade Receivable	8	3,788.81	3,909.69	3,879.96
	-Cash and cash Equivalents	9	84.47	91.41	112.63
	-Bank Balance Other than Cash and cash Equivalents	9	177.09	179.97	171.04
	-Loans	10	50.40	58.56	15.32
	-Other Financial Assets	10			
	c) Other Current Assets	11	1,804.65	1,819.62	940.66
	Total Current Assets		7,054.56	7,214.61	6,067.16
	TOTAL ASSETS		9,283.92	9,746.21	8,304.05
II	EQUITY AND LIABILITIES				
1	EQUITY				
	a) Equity Share Capital	12	4,106.28	488.81	488.81
	b) Other Equity-attributable to owners of the company	13	404.52	3,269.02	3,118.27
	c) Non-controlling Interest		-	-	-
	Total Equity		4,510.80	3,757.86	3,607.11
2	LIABILITIES				
A	Non-Current Liabilities				
	a) Financial Liabilities				
	-Long Term Borrowings	14	730.43	813.35	224.24
	-Long Term Lease Liabilities	15	196.78	369.70	330.86
	b) Long Term Provisions	16	35.43	19.32	12.63
	c) Deferred Tax Liabilities (Net)	5	94.91	87.79	104.49
	Total Non-Current Liabilities		1,057.55	1,290.16	672.22
B	Current Liabilities				
	a) Financial Liabilities				
	-Short Term Borrowing	17	1,125.21	1,025.44	1,539.94
	-Short Term Lease Liabilities	18	76.22	87.70	19.20
	-Trade Payable	19			



SecUR Credentials Limited – Draft Letter of Offer

(i)	Total Outstanding dues to Micro Enterprise and Small Enterprise		83.81	18.02	85.28
(ii)	Total Outstanding dues to Creditors other than Micro Enterprise and Small Enterprise		618.87	1,327.77	786.61
	-Other Financial Liabilities	20	1,210.91	1,614.99	1,134.70
b)	Short-Term Provisions	21	297.20	307.50	296.99
c)	Current Tax Liabilities(Net)	22	273.32	286.75	162.00
	Total Current Liabilities		3,715.57	4,698.17	4,024.72
	Total Liabilities		4,773.12	5,988.33	4,696.94
	TOTAL EQUITY AND LIABILITIES		9,283.92	9,746.21	8,304.05
	The accompanying notes are integral part of these standalone financial statements	1-55			
	This is the standalone Balance Sheet referred to in our report of even date			For and on behalf of the Board of the Directors SecUR Credentials Ltd	

Shaishav D. Mehta
(M No.: 03289), Partner
For & on behalf of

S. D. Mehta & Co.
Chartered Accountant
FRN:137193W
UDIN: 23032891BGTRDT1786
Place: Ahmedabad
Date: 23rd May, 2023

Rahul Belwalkar
Managing Director(DIN:02497535)

Ashish Ramesh Mahendrakar
Executive Director and CFO(DIN:03584695)
Khusbu Chiragbha Shah
Company Secretary(MRN:ACS59199)
Place: Mumbai
Date: 23rd May, 2023



SECURE CREDENTIALS LIMITED
(Restated Financial statements as at 31st March, 2023)

Standalone Profit and Loss for the Year ended on 31st March 2023

(Rs. In Lakhs)

Sr No	Particulars	Note	As at 31 st March, 2023	As at 31 st March, 2022
I	Income			
	a) Revenue from Operations	23	5,001.34	5,133.89
	b) Other Income	24	134.10	44.22
	Total Income		5,135.44	5,178.11
II	Expenses			
	c) Employee Benefits Expenses	25	694.98	543.68
	d) Finance Cost	26	289.40	275.75
	e) Depreciation and Amortisation Expenses	27	357.88	280.17
	f) Other Expenses	28	2,737.61	3,808.89
	Total Expenses		4,079.87	4,908.49
III	Profit Before Exceptional Item & Tax(I-II)		1,055.57	269.62
IV	Exceptional Item		-	-
V	Profit Before Tax (PBT) (After Exceptional Item) (III+IV)		1,055.57	269.62
VI	Tax Expenses	29		
	a) Current Tax		269.87	124.24
	b) Deferred Tax		7.11	(16.69)
	c) Income Tax (Prior Period)		-	-
	Total Tax Expenses		276.98	107.55
VII	Profit After Tax (PAT) (V-VI)		778.59	162.07
VIII	Other Comprehensive Income/ (Expenses)	30		
	a) Items that will not be reclassified to Profit & Loss Income Tax in respect of above		-	(11.32)
	d) Items that may be classified to Profit & Loss Income Tax in respect of above		-	-
	Total Other Comprehensive Income		-	(11.32)
IX	Total Comprehensive Income for the Year(VII+VIII)		778.59	150.75
X	Earning Per Equity share of Rs.10/- each (In Rs.)			
	a) Basic	31	1.90	3.08
	b) Diluted	31	1.90	3.08
	The accompanying notes are integral part of these standalone financial statements	1-55		
	This is the standalone Balance Sheet referred to in our report of even date		For and on behalf of the Board of the Directors SecUR Credentials Ltd	

Shaishav D. Mehta
(M No.: 03289), Partner

S. D. Mehta & Co.
Chartered Accountant
FRN:137193W
UDIN: 23032891BGTRDT1786
Place: Ahmedabad
Date: 23rd May, 2023

Rahul Belwalkar
Managing Director(DIN:02497535)
Ashish Ramesh Mahendrakar
Executive Director and CFO(DIN:03584695)
Khusbu Chiragbha Shah
Company Secretary(MRN:ACS59199)
Place: Mumbai
Date: 23rd May, 2023



SECURE CREDENTIALS LIMITED
(Restated Financial statements as at 31st March, 2023)

Standalone Cash flow statement for the year ended on 31st March 2023

(Rs. In Lakhs)

Sr No	Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2023	
		Amount	Amount	Amount	Amount
I	(A) Cash flow from operating activities				
	(1) Net Profit before Tax and extraordinary items		1,055.57		258.34
	Add: (i) Depreciation Written off	357.88		280.16	
	(ii) Interest Expense	289.40		275.75	
	(iii) Provision for Gratuity	-		-	
	(iv) Unrealized Foreign exchange difference loss/(gain)	-		-	
	(v) Loss of Subsidiary	0.50		0.9	
	(vi) Misc Expenditure W/o	(25.70)		0.01	
			622.08		556.84
	(2) Operating Profit before working capital changes		1,677.65		815.18
	Adjustment For				
	Decrease/(Increase) in Trade Receivables	120.88		(29.73)	
	Decrease/(Increase) in Unbilled Revenue	6.22		(207.81)	
	Decrease/(Increase) Other Receivable	14.98	-	(878.97)	
	Decrease/(Increase) Trade Payables	(643.08)		503.89	
	Decrease/(Increase) Other Payables	(10.30)	(511.30)	10.51	(602.11)
	(3) Cash generated from Operating Profit Before Tax		1,166.35		213.07
	Less: Income Tax Paid		283.31		(0.51)
	(4) Cash flow before extraordinary items		883.04		213.58
	Add/(less) extraordinary items		-		-
	Net Cash inflow/outflow from operating activities		883.04		213.58
	(B) Cash flow from investing activities				
	(Purchase) /Sale of fixed Assets	(7.80)		(564.69)	
	Fixed Deposit				
	Investment in Partnership/LLP/Subsidiary				
	Net Cash inflow/outflow from Investing activities		(7.80)		(564.69)
	(C) Cash flow from financing activities				
	Changes in borrowings				
	Long -term	(239.72)		634.64	
	Short -term	(315.76)		34.27	
	Deposit with Vendor/Authorities				
	Advances given	(40.18)		(54.34)	
	Interest Paid	289.40		275.75	
	Net Cash inflow/outflow from Financing activities		(885.06)		338.82
	(D) Net increase/decrease in cash & Cash Equivalent		(9.82)		(12.29)
	(E) Add: Cash & Cash Equivalent in the beginning of the Year		271.38		283.67
	(F) Cash & Cash Equivalent in the beginning of the Year		261.56		271.38
	This is the standalone Balance Sheet referred to in our report of even date	For and on behalf of the Board of the Directors SecUR Credentials Ltd			

Shaishav D. Mehta
(M No.: 03289), Partner

S. D. Mehta & Co.
Chartered Accountant
FRN:137193W
UDIN: 23032891BGTRDT1786
Place: Ahmedabad
Date: 23rd May, 2023

Rahul Belwalkar
Managing Director(DIN:02497535)

Ashish Ramesh Mahendrakar
Executive Director and CFO(DIN:03584695)
Khusbu Chiragbha Shah
Company Secretary(MRN:ACS59199)
Place: Mumbai
Date: 23rd May, 2023



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

A. Equity Share Capital

Particulars	Total
As at 1 April 2021	488.84
Changes in Equity Share Capital during the year	-
As at 31 March 2022	488.84
Changes in Equity Share Capital during the year	3,617.44
As at 31 March 2023	4,106.28

B. Other Equity

Particulars	Reserves & Surplus		Other	Total
	Security Premium	Retained earnings	Comprehensive Income / (Exp.)	
Balance as at 1 April, 2021	2,861.65	256.40	0.22	3,118.27
Net Profit/ (Loss) during the Year	-	162.07	-	162.07
Other Comprehensive Income/ (Expense)	-	-	(11.32)	(11.32)
Securities Premium on issue of Equity Share Capital	-	-	-	-
Utilized Towards Issue of Bonus Shares	-	-	-	-
Expenses on Fresh Issue of Equity Shares	-	-	-	-
Dividend	-	-	-	-
Income Tax on Dividend	-	-	-	-
Money received against share warrants	-	-	-	-
Other Adjustments	-	-	-	-
Balance as at 31 March, 2022	2,861.65	418.47	(11.10)	3,269.02
Net Profit/ (Loss) during the Year	-	778.59	-	778.59
Adjustment due to change in ownership ratio	-	-	-	-
Other Comprehensive Income/ (Expense)	-	-	-	-
Securities Premium on issue of Equity Share Capital	-	-	-	-
Utilized Towards Issue of Bonus Shares	(2,861.65)	(755.78)	-	(3,617.43)
Dividend	-	(25.66)	-	(25.66)
Money received against share warrants	-	-	-	-
Other Adjustments	-	-	-	-
Balance as at 31 March, 2023	-	415.61	(11.10)	404.51

Nature and Purpose of Reserves

(a) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve.

(b) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

The accompanying notes are integral part of these financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For and on behalf of the Board of Directors,
SecUR Credentials Ltd

Shaishav D. Mehta
(M. No.: 032891), Partner
For & on behalf of
S. D. Mehta & Co.
Chartered Accountants
FRN: 137193W
UDIN : 23032891BGTRDT1786

Rahul Belwalkar
Managing Director (DIN:02497535)
Ashish Ramesh Mahendrakar
Executive Director and CFO (DIN:03584695)
Khushbu Chiragbhai Shah
Company Secretary (MRN:ACS59199)

Place: Ahmedabad
Date: 23rd May, 2023

Place: Mumbai
Date: 23rd May, 2023

**Note 2A - PROPERTY, PLANT & EQUIPMENTS**

(Rs. In Lakhs)

Particulars	Computer Equipments	Office Equipments	Furniture & Fixture	Vehicle	Total
Cost / Deemed Cost					-
At 31 March 2021	183.43	95.62	4.17	23.28	306.50
Addition	1.64	0.93	-	64.68	67.25
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2022	185.07	96.55	4.17	87.96	373.75
Addition	92.04	16.06	206.75	-	314.85
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2023	277.11	112.61	210.92	87.96	688.60
Depreciation					
At 31 March 2021	166.64	50.32	2.10	8.26	227.32
Depreciation charge for the year	4.51	14.98	0.79	10.10	30.38
Reversal on Disposal/Adjustments	-	-	-	-	-
At 31 March 2022	171.15	65.30	2.89	18.36	257.70
Depreciation charge for the year	19.38	11.89	29.81	10.45	71.52
Reversal on Disposal/Adjustments	-	-	-	-	-
At 31 March 2023	190.53	77.19	32.70	28.81	329.22
Net Block					
Balance as on 31 March 2021	16.79	45.30	2.07	15.02	79.18
Balance as on 31 March 2022	13.92	31.25	1.28	69.60	116.05
Balance as on 31 March 2023	86.58	35.42	178.22	59.15	359.38

Note : The company has elected for Ind AS 101 exemption and continue with the carrying value for all of its Property, Plant & Equipment and Intangible Assets as its deemed cost as at the date of transition.

Note 2B - RIGHT OF USE ASSETS (Refer Note No. 42)

(Rs. In Lakhs)

Particulars	Land & Building	Deposits	Total
Cost / Deemed Cost			
At 31 March 2021	346.31	24.67	370.98
Addition	129.24	7.63	-
Deletion	-	-	-
At 31 March 2022	475.55	32.30	507.85
Addition	-	-	-
Deletion	129.24	7.63	-
At 31 March 2023	346.31	24.67	370.98
Depreciation			
At 31 March 2021	5.68	0.40	6.08
Depreciation charge for the year	71.97	5.08	-
Reversal on Disposal/Adjustments	-	-	-
At 31 March 2022	77.65	5.48	83.13
Depreciation charge for the year	88.04	6.30	-
Reversal on Disposal/Adjustments	23.75	1.67	-
At 31 March 2023	141.93	10.11	152.05
Net Block			
Balance as on 31 March 2021	340.64	24.27	364.90
Balance as on 31 March 2022	397.91	26.82	424.72
Balance as on 31 March 2023	204.38	14.56	218.93

**Note 2C - INTANGIBLE ASSETS****(Rs. In Lakhs)**

Particulars	Secur - Database	Secur - Number	Secur Shadi	Software Development - University	Total
Cost / Deemed Cost					
At 31 March 2021	453.94	602.50	260.94	-	1,566.63
Addition	-	-	-	162.00	162.00
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2022	453.94	602.50	260.94	162.00	1,728.63
Addition	-	-	-	-	-
Disposals/ Adjustments	-	-	-	-	-
At 31 March 2023	453.94	602.50	260.94	162.00	1,728.63
Depreciation					
At 31 March 2021	151.44	125.68	54.43	-	414.30
Amortization during the year	45.39	60.25	26.09	16.07	172.73
Reversal on Disposal/Adjustments	-	-	-	-	-
At 31 March 2022	196.83	185.93	80.52	16.07	587.03
Amortization during the year	45.39	60.25	26.09	32.40	189.06
Reversal on Disposal/Adjustments	-	-	-	-	-
At 31 March 2023	242.22	246.18	106.61	48.47	776.09
Net Block					
Balance as on 31 March 2021	302.50	476.82	206.51	-	1,152.33
Balance as on 31 March 2022	257.11	416.57	180.42	145.93	1,141.60
Balance as on 31 March 2023	211.72	356.32	154.33	113.53	952.54

Note 2D - CAPITAL WORK-IN-PROGRESS**(Rs. In Lakhs)**

Particulars	CWIP - Furniture	Total
Cost / Deemed Cost		
At 31 March 2021	-	-
Addition	198.57	198.57
Disposals/ Adjustments	-	-
At 31 March 2022	198.57	198.57
Addition	-	-
Disposals/ Adjustments	198.57	198.57
At 31 March 2023	-	-
Depreciation		
At 31 March 2021	-	-
Amortization during the year	-	-
Reversal on Disposal/Adjustments	-	-
At 31 March 2022	-	-
Amortization during the year	-	-
Reversal on Disposal/Adjustments	-	-
At 31 March 2023	-	-
Net Block		
Balance as on 31 March 2021	-	-
Balance as on 31 March 2022	198.57	198.57
Balance as on 31 March 2023	-	-



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

Note - 3 - Investments- Non Current

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
UNQUOTED INVESTMENTS			
Investments in Equity Instruments of Associate Company (Measured at cost)			
(i) 1900 (31 March 2022 - 6900 & 1 April 2021 - 16100) Ordinary Shares of Secur Automated Private Ltd)- (Fully Paidup)	0.19	0.69	1.61
Investments in Firm (Measured at cost)			
(i) 20% share in Yas Industries (partnership firm)	1.00	1.00	1.00
Investment in Others (Measured at Cost)			
(ii) Equity Shares of NKGSB	0.37	0.37	0.37
Total - Unquoted Investments	1.56	2.06	2.98
Aggregate book value of quoted investments	-	-	-
Aggregate market value of quoted investments	-	-	-
Aggregate carrying value of unquoted investments	1.56	2.06	2.98
Aggregate amount of impairment in value of investments	-	-	-

Note - 4 - Other Financial Assets- Non Current (Unsecured Considered Good)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Security Deposits	26.40	4.41	10.97
Advance against Property	599.70	599.70	599.70
Total	626.10	604.11	610.67



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

Note - 5 - Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Deferred Tax Assets (DTA)			
Provision for Employee Benefits	(15.68)	50.55	59.78
Preliminary Expenditure	-	6.46	(6.46)
IND AS Adjustments - Lease Liability	80.53	139.63	104.85
Unabsorbed Loss/ Business Loss	5.53	-	-
Total DTA	70.38	196.64	158.17
Deferred Tax Liabilities (DTL)			
Property Plant & Equipments & Intangible Assets	104.37	166.27	161.14
IND AS Adjustments - Right to Use Assets	60.91	118.16	101.52
Total DTL	165.28	284.43	262.66
Net DTA / (DTL)	(94.91)	(87.79)	(104.49)
Deferred Tax Liabilities (Net)	94.91	87.79	104.49
Deferred Tax Assets (Net)	-	-	-

Particulars	As at 1st April, 2022	Deferred Tax charge / (credit) in Profit & Loss	As at 31st March, 2023
Deferred Tax Assets (DTA)			
on account of Deductible Temporary Difference			
Provision for Employee Benefits & 43B Disallowance	50.55	66.23	(15.68)
Preliminary Expenditure	6.46	6.46	-
IND AS Adjustments - Lease Liability	139.63	59.10	80.53
Provision for MSME Interest	-	(5.53)	5.53
Deferred Tax Liabilities (DTL)			
on account of Taxable Temporary Difference			
Property Plant & Equipments & Intangible Assets	166.27	61.90	104.37
IND AS Adjustments - Right to Use Assets	118.16	57.25	60.91
Deferred Tax Assets/ (Liabilities) (Net)	(87.80)	7.11	(94.90)

Particulars	As at 1st April, 2021	Deferred Tax charge / (credit) in Profit & Loss	As at 31st March, 2022
Deferred Tax Assets (DTA)			
on account of Deductible Temporary Difference			
Provision for Employee Benefits & 43B Disallowance	59.78	9.23	50.55
Preliminary Expenditure	(6.46)	(12.92)	6.46
IND AS Adjustments - Lease Liability	104.85	(34.78)	139.63
Unabsorbed Loss/ Business Loss	-	-	-
Deferred Tax Liabilities (DTL)			
on account of Taxable Temporary Difference			
Property Plant & Equipments & Intangible Assets	161.14	(5.14)	166.27
IND AS Adjustments - Right to Use Assets	101.52	(16.64)	118.16
Deferred Tax Assets/ (Liabilities) (Net)	(104.48)	(16.69)	(87.80)



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

Note - 6 - Other Non Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Preliminary Expenditure	36.10	-	-
Lease Rental Deposits	34.74	44.49	26.83
Total	70.84	44.49	26.83

Note - 7 - Unbilled Revenue

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Unbilled Revenue	1,149.14	1,155.36	947.55
Total	1,149.14	1,155.36	947.55

Note - 8 - Trade Receivables - Current

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Unsecured - Considered Good	3,981.85	4,126.82	4,041.57
Less: Allowance for Expected Credit Loss	193.04	217.13	161.61
Total	3,788.81	3,909.69	3,879.96

8.1 Trade Receivables ageing Schedule

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Undisputed Trade Receivables			
Less than 6 Months	1,448.03	1,434.46	1,841.09
6 Months to 1 Year	112.80	663.08	160.79
1 Year to 2 Years	420.39	-	2,039.68
2 Years to 3 Years	-	2,029.28	-
More than 3 Years	2,000.63	-	-
Total	3,981.85	4,126.82	4,041.57
Disputed Trade Receivables			
Less than 6 Months	-	-	-
6 Months to 1 Year	-	-	-
1 Year to 2 Years	-	-	-
2 Years to 3 Years	-	-	-
More than 3 Years	-	-	-
Total	-	-	-
Total Trade Receivables	3,981.85	4,126.82	4,041.57
Less: ECL Provisions made	193.04	217.13	161.61
Net Trade Receivables	3,788.81	3,909.69	3,879.96

Note - 9 - Cash & Bank Balances

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Cash and Cash Equivalents			
Cash In Hand	84.38	91.32	106.08
Bank Balance			
In Current Accounts	0.09	0.09	6.55
In Deposit Accounts (maturity within 3 months from reporting date)	-	-	-
Cheque Issued but Not Cleared	-	-	-
Total Cash and Cash Equivalents	84.47	91.41	112.63
Bank Balances other than Cash and Cash Equivalents			
Balances with bank in Fixed Deposit accounts (Refer Note below)	177.09	179.97	171.04
Total Other Bank Balances	177.09	179.97	171.04
Total	261.56	271.38	283.67

Note - 9 - Cash & Bank Balances (Contd...)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Other Bank balances in Fixed Deposit Accounts includes deposit with remaining maturity of more than 12 months from the balance sheet date.	-	-	-
Other Bank balances in Fixed Deposit Accounts are earmarked against working capital facilities and term loan facilities from Banks	177.09	179.97	171.04

**Notes to the Standalone Financial Statements for the year ended on 31st March, 2023****(Rs. In Lakhs)****Note - 10 - Loans & Other Financial Assets - Current (Unsecured Considered Good)**

Particulars	As at	As at	As at
	31st March, 2023	31st March, 2022	01st April, 2021
Loans			
Loans to Staff	0.14	8.25	12.32
Deposits and Advances to Others	50.26	50.31	3.00
Total Loans	50.40	58.56	15.32
Other Financial Assets			
Total Other Financial Assets	-	-	-
Total	50.40	58.56	15.32

Note - 11 - Other Current Assets

Particulars	As at	As at	As at
	31st March, 2023	31st March, 2022	01st April, 2021
Others			
Advance to Supplier (Other than capital advances)	1,024.08	1,185.20	712.56
Prepaid Expenses	382.21	155.75	8.85
Balances with Government Authorities	375.44	447.04	184.96
Others	22.92	31.63	34.29
Total	1,804.65	1,819.62	940.66

Note - 12 - Equity Share Capital

Particulars	As at	As at	As at
	31st March, 2023	31st March, 2022	01st April, 2021
Authorised			
5,10,00,000 (31 March 2022 - 60,00,000 & 1 April 2011 -60,00,000) Equity Shares of Rs. 10/- each	5,100.00	600.00	600.00
Issued			
4,10,62,760 (31 March 2022 - 48,88,425 & 1 April 2021 -48,88,425) Equity Shares of Rs. 10/- each	4,106.28	488.84	488.84
Subscribed & Paid up			
4,10,62,760 (31 March 2022 - 48,88,425 & 1 April 2021 -48,88,425) Equity Shares of Rs. 10/- each	4,106.28	488.84	488.84
Total	4,106.28	488.84	488.84

12.1 Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

12.2

Company issued and allotted 53,77,625 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of one hundred ten shares for every hundred share held on 20 May 2022.

Company issued and allotted 3,07,97,070 bonus shares(as fully paid) of face value of Rs 10/- each to the existing shareholders at the rate of three shares for every one share held on 04 January 2023.

12.3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at	
	31st March, 2023	
	Number	Amount
Equity Shares of Rs. 10/- each:		
Shares outstanding at the beginning of the year	48,88,425	4,88,84,250.00
Add: Bonus Shares Issued during the year	3,61,74,335	36,17,43,350.00
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	4,10,62,760	41,06,27,600.00

Particulars	As at	
	31st March, 2022	
	Number	Amount
Equity Shares of Rs. 10/- each:		
Shares outstanding at the beginning of the year	48,88,425	4,88,84,250.00
Add: Bonus Shares Issued during the year	-	-
Add: Shares Issued during the year	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	48,88,425	4,88,84,250.00



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

12.4 Shares in the company held by each shareholder holding more than 5 percent share:

Name of Shareholder	As at 31st March, 2023	
	No. of Shares held	% of Holding
Equity Shares of Rs. 10/- each:		
Pratik Shantilal Jiyani	63,60,480	15.49%
Rahul Belwalkar	84,78,016	20.65%

Name of Shareholder	As at 31st March, 2022	
	No. of Shares held	% of Holding
Equity Shares of Rs. 10/- each:		
Rahul Belwalkar	10,09,288	20.65%
Anustup trading	4,28,400	8.76%

12.5 Shares held by Promoters

Name of Promoters	As at 31st March, 2023		
	No. of Shares held	% of Holding	% Change during the year
Equity Shares of Rs. 10/- each:			
	-	0.00%	0.00%
Total	-	0.00%	0.00%

Name of Promoters	As at 31st March, 2022		
	No. of Shares held	% of Holding	% Change during the year
Equity Shares of Rs. 10/- each:			
Pankaj Rameshchandra Vyas	380	0.01%	0.00%
Total	380	0.01%	0.00%

Note - 13 - Other Equity

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Securities Premium Reserve			
Balance at the beginning of the year	2,861.65	2,861.65	2,861.65
Add : Securities premium credited on share issue	-	-	-
Less: Utilised towards issue of bonus shares during the year	(2,861.65)	-	-
Less: Utilised towards expenses on issue of shares	-	-	-
Balance at the end of the year	-	2,861.65	2,861.65
Retained Earning			
Balance at the beginning of the year	418.47	256.40	256.40
Add: Net Profit/(Net Loss) For the year	778.59	162.07	-
Less: Utilised towards issue of bonus shares during the year	(755.78)	-	-
Other Adjustment	-	-	-
Less: Dividend on Equity Shares #	(25.66)	-	-
Less: Tax on Dividend #	-	-	-
Balance at the end of the year	415.62	418.47	256.40
Other Comprehensive Income (OCI)			
<u>Gain and losses on account of translating the financial statements of foreign operations</u>			
Balance at the beginning of the year	(11.10)	0.22	-
Changes during the year	-	(11.32)	0.22
Balance at the end of the year	(11.10)	(11.10)	0.22
Total Other Equity	404.52	3,269.02	3,118.27

Dividend on equity shares paid during the year.

	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Final dividend for the year 2021-22 (Rs 0.25 per equity shares of Rs 10 each)	25.66	-	-
Dividend distribution tax on final dividend	-	-	-



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

Note - 14 - Long Term Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Secured Borrowings			
From Banks	710.94	788.01	136.10
(against hypothecation of Vehicles, computers and softwares, payable in EMI, personal Guarantee and immovable properties of Directors, Chairman and their relatives)			
Loan from Directors	9.50	-	-
Term Loans from NBFC	9.99	25.34	88.14
(Payable in EMI, against personal guarantee of Directors and Chairman along with undated security cheques issued against it)			
Total	730.43	813.35	224.24

Refer Note below

Name of the Lender	Amount Outstanding 31-03-2023 31-03-2022 31-03-2021	Details	Security
Axis Bank - Car Loan	39.48 47.48 -	Amount Sanctioned : 61.28 Lakhs Interest : 7.40% Tenure : 84 Months	Secured against Car
Bank of Baroda - Term Loan	38.20 66.80 -	Amount Sanctioned : 80 Lakhs Interest : BRRLR + 1% Moratorium : 1 Year for future Principal only. Interest is payable at monthly intervals. Repayment : 36 Monthly Installments	Primary Security : Hypothecation of all the current assets of the firm, present and future Collateral Security : EM of Flat No. G 4, 404, building no. 2, MHADA Scheme, Powai Lake road, Mumbai - 400076, All Equipments and Intangible assets, Bank FDR of 1/1.1 Lakhs
BOB - GECL	39.95 - -		
SBI - FITL	100.52 40.20 -	Amount Sanctioned : 170 Lakhs Interest : 11.15	
SBI - GECL	83.08 90.00 -	Amount Sanctioned : 257 Lakhs Interest : 9.25 Tenure : Max. 5 Years from disbursement Moratorium : 24 Months for	Primary Security : Entire stocks of trading goods stored at various places & Book debts, receivable, actionable claims & Present & Future C/A
SBI - GECL	68.80 123.81 130.44	Principal only. Interest is payable at monthly intervals.	Collateral Security : EM Over Equitable Mortgage of Flat No. A-401/402, 4th floor, Amogh Adjure CHS, Mumbai - 400057
SBI - Term Loan	340.45 418.74 -	Amount Sanctioned : 450 Lakhs Interest : 11.15 Tenure : 84 Months Repayment : 72 Monthly Installments Interest to be served as and when applied.	Primary Security : Entire stocks of trading goods stored at various places & Book debts, receivable, actionable claims & Present & Future C/A Collateral Security : EM Over Equitable Mortgage of Flat No. A-401/402, 4th floor, Amogh Adjure CHS, Mumbai - 400057 Personal Guarantee : 1. Shri Pankaj Vyas 2. Shree Rahul Belwalkar 3. Smt. Shibani Belwalkar 4. Smt. Vaishali Pankaj Vyas
HDFC - Jeep Compas Loan	0.46 0.98 5.65	Amount Sanctioned : 22.10 Lakhs Interest : 8.90% Tenure : 60 Months Repayment : 59 Months	Secured against Car



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

Note - 15 - Long Term Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Lease Liabilities (Refer Note No. 42)	196.78	369.70	330.86
Total	196.78	369.70	330.86

Note - 16 - Long Term Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Provision for Employee benefits Gratuity (Unfunded) (Refer Note No. 40)	35.43	19.32	12.63
Total	35.43	19.32	12.63

Note - 17 - Short Term Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Secured Borrowings			
Working capital loan from Bank	857.21	801.18	1,279.39
(CC against hypothecation of present and future book debts, other movable assets, collateral of third party and personal guarantee of Directors)			
Current maturities of long term debt from Bank	208.92	99.05	62.36
(against hypothecation of Vehicles, computers and softwares, payable in EMI, personal Guarantee and immovable properties of Directors, Chairman and their relatives)			
Unsecured Borrowings			
Term loan from NBFC	43.73	61.80	61.00
(Payable in EMI, against personal guarantee of Directors and Chairman along with undated security cheques issued against it)			
Current maturities of Long - Term Debt from NBFC	15.35	63.41	137.19
(Payable in EMI, against personal guarantee of Directors and Chairman along with undated security cheques issued against it)			
Total	1,125.21	1,025.44	1,539.94

Note - 18 - Short Term Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Current maturities of Long Lease Liabilities (Refer Note no. 42)	76.22	87.70	19.20
Total	76.22	87.70	19.20

Note - 19 - Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Total outstanding dues of Micro Enterprise and small enterprise	83.84	48.02	85.28
Total outstanding dues others	391.82	1,152.22	554.41
Total Current Liability for Expenses	257.05	175.55	232.20
Total	732.71	1,375.79	871.89

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the auditors.

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet.



Notes to the Standalone Financial Statements for the year ended on 31st March, 2023

(Rs. In Lakhs)

19.1 Trade Payables ageing Schedule

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
MSME Trade Payables			
Less than 1 Year	38.37	11.44	5.39
1 Year to 2 Years	8.39	0.01	65.52
2 Years to 3 Years	0.48	24.91	14.38
More than 3 Years	36.60	11.65	-
Total	83.84	48.02	85.28
Other than MSME Trade Payables			
Less than 1 Year	517.62	1,157.32	580.27
1 Year to 2 Years	17.70	57.58	131.00
2 Years to 3 Years	7.97	57.11	68.32
More than 3 Years	105.58	55.76	7.02
Total	648.87	1,327.77	786.61
Total Trade Payables	732.71	1,375.79	871.89

Note - 20 - Other Short term Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Statutory Dues	444.23	700.17	763.53
Capital Creditors	332.41	541.94	334.48
Advance from Customers	65.55	115.53	5.89
Other Advances / Liabilities	368.72	257.35	30.80
Total	1,210.91	1,614.99	1,134.70

Note - 21 - Short Term Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Accrued Interest but not due	-	-	1.31
Provision for Employee benefits (Refer note no 36)			
Gratuity (Unfunded) (Refer Note No. 40)	1.77	12.07	0.25
Provision for Income Tax	295.43	295.43	295.43
Total	297.20	307.50	296.99

Note - 22 - Current Tax Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 01st April, 2021
Provision for Income Tax [net of prepaid taxes]	273.32	286.75	162.00
Total	273.32	286.75	162.00

**Notes to the Standalone Financial Statements for the year ended on 31st March, 2023****(Rs. In Lakhs)****Note - 23 - Revenue From Operations**

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Sale of Services		
Export Sales	216.80	216.50
Domestic Sales	4,790.75	4,709.59
Unbilled Revenue	(6.21)	207.80
Total	5,001.34	5,133.89

Note - 24 - Other Income

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Interest Income	19.67	13.84
Other Operating Income		
Gain on Foreign Exchange Fluctuation (net)	109.41	25.82
Other Income	5.02	4.56
Total	134.10	44.22
24.1 Interest Income comprises:		
Interest from Banks on Deposit	7.64	9.96
Interest on Income Others	0.13	-
Interest on Income tax Refund	6.20	-
Interest Income - Ind AS	5.70	3.88
Total	19.67	13.84
24.2 Other Income Comprises:		
Discount Received	5.02	4.29
Other Income	-	0.27
Total	5.02	4.56

Note - 25 - Employee Benefit Expenses

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Salaries, Wages and Bonus	637.25	518.53
Contributions to Provident and Other Fund	42.06	11.05
Gratuity and Leave Encashment (net of reversals, if any)	7.15	9.37
Staff Welfare Expenses	8.52	4.73
Total	694.98	543.68

Note - 26 - Finance Costs

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Interest expense:		
On Bank & Other Interest	239.74	215.03
On Bank Charges	11.86	7.90
On Other Borrowing Cost	-	5.92
On Lease Obligations	37.80	46.90
Total	289.40	275.75

Note - 27 - Depreciation & Amortisation Expenses

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Depreciation on Property, Plant and Equipments	71.27	30.39
Depreciation on Right of Use Assets	97.55	77.05
Amortisation of Intangible Assets	189.06	172.73
Total	357.88	280.17

**Notes to the Standalone Financial Statements for the year ended on 31st March, 2023****(Rs. In Lakhs)****Note - 28 - Other Expenses**

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Service Cost		
Product Vendor Charges	1,876.40	3,497.48
Total Service Cost	1,876.40	3,497.48
Administration, Selling & Other Expenses		
Advertisement Expense	0.79	0.31
Audit Fees	6.00	1.75
Brokerage & Commission	-	10.85
Business Promotion	3.60	5.51
Computer Maintenance	15.41	10.43
Courier Charges	0.32	0.37
CSR Expenses	4.44	7.72
Data Hosting Charges	20.19	18.84
Discount	376.40	0.58
Electricity Charges	17.85	18.08
Foreign Fluctuation Gain (Loss)	-	-
General Expense	6.61	2.76
Insurance Charges	0.13	1.21
Membership & License	2.06	2.25
Misc Expenditure W.off	1.90	(0.00)
Office Expense	12.68	12.17
Printing & Stationery	2.72	3.13
Professional Fees	116.13	96.99
Rates and Taxes	-	2.70
Rent	81.47	10.93
Repairs & Maintenance	16.68	15.29
ROC & Legal Charges	7.48	0.52
Software Development Charges	0.07	0.11
Share in Profit and loss of Subsidiary	0.50	0.11
Telephone, Mobile & Internet Charges	10.04	11.73
Travelling Expense	31.39	21.55
Marketing Expenses - Written off	150.44	-
ECL Provision	(24.09)	55.52
Total Administration, Selling & Other Expenses	861.21	311.41
Total	2,737.61	3,808.89

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Payment to Statutory Auditors		
Audit Fees	6.00	1.75
Tax Audit Fees	-	-
Certification and others	-	-
Certification (IPO) #	-	-
Reimbursement of expenses	-	-
Total	6.00	1.75

Note - 29 - Tax Expense

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Tax Expenses	269.87	124.24
Deffered Tax Expenses/(Reversal)	7.11	(16.69)
Tax in respect of Earlier Years/(Reversal)	-	-
Total	276.98	107.55

Note - 30 - Other Comprehensive Income

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Items that will not be reclassified to Profit & Loss	-	(11.32)
Tax in respect of above	-	-
		(11.32)
Items that may be reclassified to Profit & Loss	-	-
Tax in respect of above	-	-
Total	-	(11.32)


Notes to the Standalone Financial Statements for the year ended on 31st March, 2023 (Rs. In Lakhs)
Note - 31 - Earning Per Share

Particulars	For the period of 1st April, 2022 to 31st March, 2023	For the period of 1st April, 2021 to 31st March, 2022
Profit Available to Equity Share holders	778.59	150.75
Weighted Average No. of Shares	410.63	48.88
Earning Per Share	1.90	3.08

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31 MARCH 2023
AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED**
32. Unbilled Revenue

Unbilled revenue as certified by the management pertains to the service rendered to customers but the same has been billed in subsequent period till the date of report.

33. Status of Interest accrued and due / accrued but not due

(Rs. In Lakhs)

Particulars	Interest accrued and Due		Interest accrued but not due	
	Amount	Status	Amount	Status
SBI GECL – 1197	7.06	Paid	-	-
SBI GECL – 6583	5.4	PaId	-	-
TOTAL	12.46	-	-	-

34. Debtors outstanding and Provision for Doubtful Debts

As on balance sheet date Company is having more than 180 days outstanding of Rs. 2533.82/- Lakhs and further, the company has not made provision for the doubtful debts for the year under reporting.

35. Difference in GSTR 2A and Books of Account

As per the working there is less input available in the reconciliation of GSTR 2A and Books, however, as informed by the management, the company is in constant touch with the Suppliers who are irregular in filing their returns, however suppliers have confirmed the company that the same will be sorted out shortly.

36. Mismatch in 26AS and Books of accounts

There is short IDS booked of Rs. 36.43 Lakhs in books of accounts by the management, however the same has been booked in the next financial year.

37. Foreign Currency Transaction

(Rs. In Lakhs)

Sr. No.	Particulars	Current Year 2022-23	Previous Year 2021-22
(a)	Earnings (Collection) in foreign currency	63.50	248.74
(b)	Expenditure (Payment) in foreign currency	32.78	10.37

38. Earnings per share:

Earnings per share are calculated by dividing the profit/ (loss) attributable to the Equity Shareholders by the total number of Equity Shares outstanding during the period. The numbers used in calculating the basic and diluted earnings per Equity Share are as follows:

Sr. No.	Particulars	Current Year 2022-23	Previous Year 2021-22
(a)	Net profit / (loss) after tax (Rs In Lakhs.)	778.58	150.76
(b)	Weighted average number of equity shares outstanding at the year-end (Nos. In Lakhs)	410.63	48.88
(c)	Basic and diluted earnings per share (Rs.) [(c) – (a) / (b)]	1.90	3.08
(d)	Nominal value of share (Rs.)	10	10

39. Related party disclosures:
a. Related Party Relationships:

The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the Auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.



Sr. No.	Name	KMP / Relationship	Influence
1	Rahul Belwalkar		Managing Director
2	Shibani Belwalkar	Rahul Belwalkar	Spouse of Managing Director
3	Ashish Mahendrakar		Chief Financial Officer and Executive Director
4	Khushbu Shah		Company Secretary
5	DWE Projects Pvt. Ltd	Shibani Belwalkar	Spouse of MD is Director
6	DWE Projects Pvt. Ltd	Rahul Belwalkar	Managing Director of the company is Director
7	Theory of Purpose Consulting LLP	Rahul Belwalkar	Director
8	Secur Automated Solutions Private Limited (Formerly Known as Secur B2C Pvt. Ltd)		Wholly owned subsidiary (Ceased to be subsidiary w.e.f. 26/02/2022)
9	Tempshire LLP (earlier known as Runached Staffing Solutions LLP)		Associated Enterprise
10	Yash Industries		Associated Enterprise
11	SecUR Staffing Services Pvt Ltd		Managing Director of the company is Director and Shareholder

b. Related Party Transactions (Excluding Reimbursements): -

Amount (Rs. In Lakhs)

Particulars	2022-23
Director's Remuneration	
Rahul Belwalkar	85.80
Directors Sitting fees	
Jaykishan Dineshbhai Darji	1.00
Mithun Lalitkumar Kothari	2.40
Amit Kumar Bharti	1.80
Shireen Mohd Haneef Khan	3.00
Prateek Jain	1.00
Salary	
Ashish Mahendrakar	13.13
Khushbu Shah	3.62
Loss from Associate LLP	
Loss from Tempshire LLP	0.50
Sales or Purchase	
SecUR Staffing Services Private Limited	56.64



b. Closing Balance with related Parties as on 31/03/2023

Particulars	2022-23
Salary payable	
Khushbu Shah	0.30
Ashish Mahendrakar	2.97
Investment/Contribution made	
Yash Industries	1.00

Further, as a general business practice, the directors of the company Shri Rahul Belwalkar is given amounts in nature of reimbursement of expenses which arise in business operations. Such transactions are included in the financial statements to the tune of Rs. 9.63 Lacs during the reporting period.

40. Employee benefits:

a. Defined contribution Plans:-

Retirement benefits in the form of Provident fund (where contributed to the Regional PF Commissioner) are a defined contribution scheme. The contribution to the Provident fund is charged to the statement of Profit and Loss for the year when the contribution to the fund is due. The Company has no obligation, other than the contribution to the Provident Fund.

Contributions to defined contribution plans recognized as expense for the year are as under:-

Particulars	Current Year 2022-23 Rs.	Previous Year 2021-22 Rs.
Contribution to provident fund	10.98	8.36

Contribution to Provident fund Rs. 10.27 Lakhs are payable as on 31st March 2023 out of which Rs. 4.19 lakhs has been paid in April 2023

b. Defined Benefit plan:-

Gratuity payable to employees in accordance with the provisions of The Payment of The Gratuity Act, 1972 is a defined benefit plan as per Accounting Standard (AS) – 15 “Employee Benefits” as per Actuarial valuation certificates.

During FY 2022-23 Net actuarial loss amounting to Rs. 7.15 Lakhs for the gratuity liability debited to Profit and loss account.

The details of Actuarial valuation of Gratuity as at year end are as under:-

Actuarial Calculations as per Ind AS 19

Method: Projected Unit Credit

Period Covered	2022-23	2021-22
Assumptions	GTU	GTU
Discount Rate	7.18% p.a.	5.66% p.a.
Expected Return on Plan Assets	N/A	N/A
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Future Salary Increases	10% p.a.	3% p.a.
Disability	Nil	Nil
Attrition	7% p.a.	40% p.a.
Retirement	58 yrs.	58 yrs.



Changes in the Present Value of the Obligation and in the Fair Value of the Assets

(Rs. In Lakhs)

	Mar-23	Mar-22
Present Value of Obligation beginning of The Period	31.39	13.41
Interest Cost	1.74	0.64
Current Service Cost	6.50	8.20
Past Service Cost	0	0
Benefits Paid	(1.34)	(2.18)
Actuarial (gain) loss on Obligation	(1.09)	11.32
Present Value of Obligation end of The Period	37.20	31.39

Fair Value of Plan Assets beginning of The Period	0	0
Expected Return on Plan Assets	0	0
Contributions	1.34	2.18
Benefits Paid	(1.34)	(2.18)
Actuarial Gain (Loss) Plan Assets	0	0
Fair Value of Plan Assets end of The Period	0	0
Total Actuarial gain (loss) to be recognized	1.09	(11.32)

Balance Sheet Recognition

(Rs. In Lakhs)

Present Value of Obligation	37.20	31.39
Fair Value of Plan Assets	0	0
Liability (Assets)	37.20	31.39
Unrecognised Past Service Cost	0	0
Liability (Asset) recognised in the Balance Sheet	37.20	31.39

Profit & Loss – Expenses

(Rs. In Lakhs)

Current Service Cost	6.50	8.20
Interest Cost	1.74	0.64
Expected Return on Plan Assets	0	0
Net Actuarial (gain) loss recognised in the year	(1.09)	11.32
Past Service Cost	0	0
Expenses Recognised in the Statement of Profit & Loss	7.15	20.16

Actuarial (Gain)/Loss Recognized

(Rs. In Lakhs)

Actuarial (Gain)/Loss for the period (Obligation)	(1.09)	11.32
Actuarial Gain/(Loss) for the period (Plan Assets)	0	0
Total Actuarial (Gain)/Loss for the period	(1.09)	11.32
Actuarial (Gain)/Loss recognized for the period	(1.09)	11.32
Unrecognized Actuarial (Gain)/Loss at end of period	0	0

**Movement in the Net Liability recognised in the Balance Sheet****(Rs. In Lakhs)**

Opening Net Liability	31.39	13.41
Expenses	7.15	20.16
Contribution	(1.34)	(2.18)
Closing Net Liability	37.20	31.39

Balance Sheet Recognition

Data	Mar-23	Mar-22
No.	146	110
Avg. Age (yrs.)	33 yrs.	35 yrs.
Avg. Sal. (Rs.)	Rs. 10,733 p.m.	Rs. 14,871 p.m.
Avg. PS (yrs.)	3 yrs.	3 yrs.
Weighted avg. duration of DBO	11 yrs.	3 yrs.

Actuarial (gain) loss on Obligation**(Rs. In Lakhs)**

	Mar-23	Mar-22
Experience Adjustment	(15.06)	11.54
Assumption Change	1.90	(0.22)
Change in Demographic	12.07	-
Total	(1.09)	(11.32)

Obligation	Mar-23	Mar-22
Current	1.77	12.07
Non-current	35.43	19.32
Total	37.20	31.39

Assets / Liabilities	31-Mar-23	31-Mar-22
Value of Obligation	37.20	31.39
Fair Value of Plan Assets	0	0
Balance Sheet Liability/(Asset)	37.20	31.39
P&L -(Income)/Expenses	7.15	20.16
Experience Adjustment on Plan Liabilities (Gain) / Loss	(15.06)	11.54

41. Financial Instruments

The Company's financial liabilities mainly comprise the loans and borrowings in domestic currency, money related to capital expenditures, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets comprise mainly of investments, security deposits, cash and cash equivalents, other balances with banks, trade and other misc. receivables that derive directly from its business operations.

The Company is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments.

The Board of Directors ("the Board") oversees the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Risk Management Committee and approved by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities and the Company's managements, structure for managing the risk and the framework for Risk Management. The framework seeks to identify, assess and mitigate the financial risk in order to minimize the potential adverse effect on the Company's financial performance.

The following disclosures summarize the Company's exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative Sensitivity Analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Company.



A. Financial Assets and Liabilities									
Particulars	Rs. In Lakhs								
	As at 31 st March 2023			As at 31 st March 2022			As at 01 st April 2021		
	Amortize d Cost	FVT PL	FVTOCI	Amortize d Cost	FVTPL	FVTOCI	Amortize d Cost	FVTPL	FVTOCI
Assets Measured at									
Trade Receivables	3,788.81	-	-	3,909.69	-	-	3,879.96	-	-
Cash & Cash Equivalents	84.49	-	-	91.40	-	-	112.63	-	-
Other Bank Balance	177.09	-	-	179.97	-	-	171.04	-	-
Loans	50.40	-	-	58.56	-	-	15.32	-	-
Other Financial Assets	1,804.65	-	-	1,819.62	-	-	940.66	-	-
Total	5,905.44	-	-	6,059.24	-	-	5,119.61	-	-
Liabilities Measured at									
Borrowings (including current maturities of non-current borrowings)	1,856.16	-	-	1,838.44	-	-	1,764.04	-	-
Trade Payables	732.71	-	-	1,375.79	-	-	871.89	-	-
Other Financial Liabilities	1,210.91	-	-	1,614.99	-	-	1,134.70	-	-
Total	3,799.78	-	-	4,829.22	-	-	3,770.63	-	-



Fair value hierarchy

The fair value of financial instruments as referred to in note below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market
- Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of Risk: "Interest Rate Risk, Currency Risk and Other Price Risk". Financial instrument affected by the Market Risk includes loans and borrowings in foreign as well as domestic currency, retention money related to capital expenditures, trade and other payables.

a. Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash outflows of a financial instrument will fluctuate because of changes in market interest rates. An upward movement in the interest rate would adversely affect the borrowing cost of the Company. The Company is exposed to long term and short - term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Company has not used any interest rate derivatives.

Exposure to Interest Rate Risk

(Rs. In Lakhs)

Particulars	Rs. In Lakhs		
	As at 31 st March 2023	As at 31 st March 2022	As at 01 st April 2021
Long Term Borrowing bearing fixed rate of interest	672.74	631.21	136.10
Long Term Borrowing bearing variable rate of interest	38.20	66.80	-

Sensitivity Analysis

Profit / (Loss) estimates to higher / lower interest rate expense from borrowings bearing variable rate of interest as a result of changes in interest rate.

Particulars	Rs. In Lakhs	
	As at 31 st March 2023	As at 31 st March 2022
Interest Rate – Increase by 50 Basis Points	0.19	0.33
Interest Rate – Decrease by 50 Basis Points	(0.19)	(0.33)

(*) holding all other variable constant. Tax impact not considered.



Particulars	Rs. In Lakhs					
	As at 31 st March 2023		As at 31 st March 2022		As at 01 st April 2021	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Net Unhedged Assets (Trade Receivables)	16.86	1276.15	14.77	1112.37	15.21	1144.63
Net Unhedged Liabilities	-	-	-	-	-	-
Net Exposure Assets / (Liabilities)	16.86	1276.15	14.77	1112.37	15.21	1144.63

Sensitivity Analysis

Particulars	Rs. In Lakhs			
	As at 31 st March 2023		As at 31 st March 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
INR / USD – Increase by 5 %	0.84	63.81	0.74	55.62
INR / USD – Decrease by 5 %	(0.84)	(63.81)	(0.74)	(55.62)

(*) holding all other variable constant. Tax Impact not considered.

c. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other Financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

b. Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

Exposure to Foreign Currency Risk

The Carrying amount of Company's unhedged Foreign Currency denominated monetary items are as follows:

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- i. Low credit risk
- ii. Moderate credit risk
- iii. High credit risk.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Financial assets (other than trade receivables) that expose the entity to credit risk are managed and categorized as follows:

Basis of categorization	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss.
Moderate credit risk	Other financial assets	12 month expected credit loss, unless credit risk has increased significantly since initial recognition, in which case allowance is measured at life time expected credit loss
High credit risk	Other financial assets	Lifetime expected credit loss (when there is significant deterioration) or specific provision whichever is higher



Financial assets (other than trade receivables) that expose the entity to credit risk (Gross exposure): –

Particulars	Rs. In Lakhs		
	As at 31 st March 2023	As at 31 st March 2022	As at 01 st April 2021
Low Credit Risk			
Cash & Cash Equivalents	84.49	91.40	112.63
Bank Balance other than above	177.09	179.97	171.04
Loans	50.40	58.56	15.32
Other Financial Assets	1,804.65	1,819.62	940.66

i. Cash and cash equivalent and bank balance

Credit risk related to cash and cash equivalents and bank balance is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

ii. Loans and Other financial assets measured at amortized cost:

Other financial assets measured at amortized cost includes export benefits receivables, bank deposits with maturity of more than 12 months and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

iii. Trade receivables:

Lifetime expected credit loss is provided for trade receivables. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy, or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.



Expected credit losses:

Expected credit loss for trade receivables under simplified approach:

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default based on the criteria defined below and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Further, the Company has evaluated recovery of receivables on a case-to-case basis. No provision on account of expected credit loss model has been considered for related party balances. The Company computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward - looking estimate. The provision matrix at the end of reporting period is as follows:

Particulars	Expected Credit Loss Rate
Upto 90 Days	0.00%
91 - 120 Days	1.00%
120 - 180 Days	3.00%
180 - 365 Days	5.00%
More than 365 days	7.50%

Movement in Expected Credit Loss Allowance on Trade Receivables

Particulars	Rs. In Lakhs	
	For the year ended on 31 st March 2023	For the year ended on 31 st March 2022
Balance at the beginning of the reporting period	217.13	161.61
Loss Allowance measured at lifetime expected credit losses	(16.71)	55.52
Balance at the end of reporting period	200.42	217.13

d. Liquidity Risk

Liquidity Risk is the risk that the Company will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Management monitors rolling forecasts of the Company’s liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	Rs. In Lakhs		
	As at 31 st March 2023	As at 31 st March 2022	As at 01 st April 2021
Expiring within 1 Year			
Cash Credit Facility	-	-	-
Invoice Discounting Facility	-	-	-
Expiring Beyond 1 Year			



The cash credit and other facilities may be drawn at any time and may be terminated by the bank without notice.

Maturities of Financial Liabilities

The tables below analyze the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The table below analyses financial liabilities of the Company into the relevant maturity grouping based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

e. Capital Management

The Company's capital management objectives are

- To ensure the company's ability to continue as a going concern
- To provide an adequate return to share holders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage.

This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity plus net debt.

Particulars	Rs. In Lakhs		
	As at 31 st March 2023	As at 31 st March 2022	As at 01 st April 2021
Total Borrowings	1,856.16	1,838.44	1,764.04
Less: Cash & Cash Equivalents	84.49	91.40	112.63
Net Debt (A)	1,771.67	1,747.04	1,651.41
Total Equity (B)	4,499.00	3,757.87	3,607.11
Capital Gearing Ratio (B/A)	2.54	2.15	2.18

The Company has complied with the covenants as per the terms and conditions of the major borrowing facilities throughout the Reporting Period.

42. ROU Assets and Leases

The Group's significant leasing arrangements are in respect of Land and buildings, and office premises and equipment taken on lease and license basis.

Effective 01st April 2021, the Group adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 01st April 2021 using the modified retrospective method recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease but discounted at the Company's incremental borrowing rate at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at 01st April 2021 is 10.00 %



The changes in the carrying value of ROU assets for the year ended 31st March 2023 are as follows:

Particulars	Amount in Lakhs
Right to Use Assets	
Balance as at April 01, 2021	346.31
Addition during the year	129.24
Deduction during the year	-
Gross Balance of ROU	475.55
Depreciation Fund	
Balance as at April 01, 2021	5.68
Addition during the year	71.97
Deduction during the year	-
Gross Balance of ROU	77.65
Net Balance as on 31st March 2022	397.91
Right to Use Assets	
Balance as at April 01, 2022	475.55
Addition during the year	-
Deduction during the year	129.24
Gross Balance of ROU	346.31
Depreciation Fund	
Balance as at April 01, 2022	77.65
Addition during the year	88.04
Deduction during the year	23.75
Gross Balance of ROU	141.93
Net Balance as on 31st March 2023	204.38

The movement in lease liabilities during the year along-with break-up of current and non-current lease liabilities ended 31st March 2023 and 31st March 2022 is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning	457.40	350.06
Addition during the year	-	129.24
Finance cost accrued	46.17	46.90
Payment of lease liabilities	119.92	68.81
Deduction / Deduction / Reversal During the year	110.65	-
Balance at the end	273.00	457.40
Break-up between current and non-current lease liabilities		
Particulars	As at 31st March 2023	As at 31st March 2022
Current lease liabilities	76.22	87.70
Non- current lease liabilities	196.78	369.70
Total	273.00	457.40



Contractual maturities of Lease Liabilities on an undiscounted basis		
Particulars	As at 31 st March 2023	As at 31 st March 2022
Not Later than One year	76.22	87.70
1 – 2 Years	86.72	112.76
2 – 3 Years	110.08	95.25
More than 3 Years	-	161.68
Total	273.00	457.40

43. Dividend Payable

During the year dividend amount of Rs. 25.66 Lakhs was payable to Eligible shareholders, however amount which was kept in separate bank account had been, by oversight, closed by banker on RBI guidelines to close all current account when The Company has overdraft facility availed with Bank. Subsequent to balance sheet date and before the reporting date, the Company has reopened the Dividend account and deposited unpaid Dividend amount in said account.

Particulars	Dividend Payable	Dividend Paid	Dividend Balance/Unpaid
	Amount	Amount	Amount
Dividend Amount	25.66	25.66	-
Total	25.66	25.66	-

44. Contingent liabilities not provided in respect of:

- Company has taken bank guarantee of Rs.85000 against project from UTI Infra, MPSEC, Bank Board Bureau and against it, company has kept FD of Rs.85000
- As informed by management, undisputed / disputed amount payable in respect of Income Tax, Wealth tax, Sales tax, Service Tax, Customs Duty, Excise Duty & cess as on 31.03.2023 is as follow:-

Nature of Dues	Amount (In Rs.)	Period to which the amount relates	Forum where dispute is pending
TDS	52.58	2010-2022	Income Tax Authorities

45. Sundry Creditors towards the Capital Project:

Under the head of sundry creditors an outstanding amount Rs 331.26 Lakhs is payable to M/S Melstar Information Technologies. In Opinion of the management the said amount is payable out of a deal for purchase of a leasehold office building property during F.Y. 2020-21.

46. There is outstanding balance of Rs. 558.13 Lakhs on account of duties, taxes and other statutory dues as at year end.

Particulars	Opening Balance	Paid for current and previous years' liabilities	Payable for the year	Closing Balance
GST Payable	420.53	539.80	415.03	241.76
Service Tax Payable	11.71	-	-	11.71
Professional Tax	25.56	26.39	3.50	2.67
PF Payable	1.34	13.3	22.23	10.27
Other Payables	240.94	81.13	131.19	291.71
Total	700.08	2801.71	2659.76	558.12

*other payables includes Interest on Dividend Tax, Maharashtra Labour Welfare Board, ESIC Payable, TDS Payable.



- 47. The company has paid TDS through challans and the same has been reflected in above para. However, we have not verified the deduction details as reported in TDS returns filed by the company.
- 48. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Dues to Micro and Small Enterprises : (Rs. In Lakhs)

Particulars	As at March 31st, 2022	
	Principal	Interest
Amount due to Vendor (Includes Trade Payables)	53.32	-
Principal Amount paid (includes unpaid) beyond the appointed date	-	-
Interest due and Payable for the year	-	-
Interest accrued and remaining unpaid	-	19.88

We have relied on the bifurcation of vendors into small, medium, micro enterprises as provided by the management.

- 49. **Advances against the Property**
 Previous year the company has given the advances against the property. The company has executed MOU for purchase without stamp duty and notary authentication and is unregistered in nature. The cost of the Property is Rs. 13 crore of which the company has already paid Rs.6 crore and Balance of Rs.7 Crore is to be paid for acquisition of the property.
- 50. There is delay in payment to supplier and service provider on account of service and quality issue of products.

 There is salary outstanding of Rs. 88.93 Lakhs as on 31.03.2023 out of which subsequently company has made approximate payment of 43.00 Lakhs
- 51. During the financial year 2018-19, SecUR Credentials Limited had incorporated wholly owned subsidiary Company viz. Secur Automated Solutions Private Limited (Formerly Known as Secur B2C Pvt. Ltd). Subscription of shares of the Company by SecUR Credentials Limited as well as this subsidiary has commenced commercial operations during the financial year 2021-22.

However, during the year under reporting, the company has sold the shares of such subsidiary to the extent of 81% and now the holding is restricted to 19% as on 31st March, 2023.

The Board of Directors of the Company had certified vide separate certification:-

“Secur Automated Solutions Private Limited (Formerly Known as Secur B2C Private Limited”) The Company has been formed on 19.03.2019. The Certificate of Incorporation has been attached hereto. During the F.Y. the Company has subscribed to the shares of the said company and hence the company has received certificate for commencement of business for the said company. As per our opinion and the provisions of the Companies Act and as per the opinion of the management, there is no need for any consolidation as the Company has presently 19% shares as on 31st March 2022. The Certificate issued by the managements are enclosed herewith.”

Consequently, relying on such certification, Consolidation of A/c's is not made.

- 52. **Corporate Social Responsibility (CSR)**
 The CSR amount required to be spent as per Section 135 of the companies Act, 2013 read with Schedule VII of Rs. 4.34 Lakhs. The Company has paid Rs. 4.44 lakhs to Raginiben Bipinchandra Sevakarya Trust during FY 2022-23.



(Rs. In Lakhs)

No.	Financial Year	Net Profit Before Tax as per Financial Statements
1	2019-20	103.86
2	2020-21	205.77
3	2021-22	341.99
	Average Profit for Preceding 3 years	217.20
	2% of Average profit for preceding 3 years (Minimum amount of CSR Expenses for 2022-23)	Rs. 4.34 Lakhs

*The Net Profit before Tax is taken as per GAAP financial statements.

53. First Time Adoption of Indian Accounting Standards ('Ind AS')

These are the Company's first financial statements prepared in accordance with Ind AS.

For all period up to and including the year 31st March 2022, the Company had prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of The Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). For the year ended on 31st March 2023 prepared and presented in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 in accordance with the accounting policies as set out by the Company in Note No. 1.

The Accounting Policies as set out in Note No. 1 have been applied in preparing its financial statements for the year ended 31st March 2023 including the Comparative information for the year ended on 31st March 2022 and the Opening Ind AS Balance Sheet on the date of transition i.e., 01st April 2021.

In preparing its Ind AS Balance Sheet as at 01st April 2021 and in preparing the Comparative information for the period ended 31st March 2022, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the followings:

- a. Balance Sheet as at 01st April 2021 (Transition Date);
- b. Balance Sheet as at 31st March 2022;
- c. Statement of Profit and Loss for the year ended on 31st March 2022; and
- d. Statement of Cash Flows for the year ended 31st March 2022

Ind AS 101 - First Time Adoption of Indian Accounting Standard, allow the first-time adopters, exemptions from the retrospective application and exemption of certain requirements of the Other Ind AS. The Company has availed the following exemptions as per Ind AS 101.

A. Ind AS Optional Exemptions:

1) Financial Instruments:

For the financial instruments, where the fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.



2) Deemed cost of property, Plant and equipment and intangible Assets:

The Company has elected to consider the Carrying Value of all its Property, Plants and Equipment's (PPE) and Intangible Assets recognized in the financial statements prepared under Previous GAAP and use the same as Deemed Cost in the Opening Ind AS Financial Statements.

3) Deemed cost for Investments in subsidiaries:

The carrying amount of Company's Investments in its Associate Companies as per the financial statements of the Company prepared under Previous GAAP, are considered as Deemed Cost for measuring such investments in the Opening Ind AS Financial Statements.

4) Leases:

The company has elected to measure the right of use assets at the date of transition as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Further the following expedients were used on transition to Ind AS.:

- The use of single discount rate to portfolio of leases with reasonably similar Characteristics.
- The accounting for operating leases with a remaining lease of less than 12 months as on transition date as short-term leases
- The exclusion of initial direct costs for the measurement of the Right-of-use assets at the date of initial application.

B. Ind AS Mandatory Exceptions:

1) Estimates:

An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimate made for the same date in accordance with Previous GAAP (after adjustment to affect any difference in accounting policies) unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01st April 2021 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as there were not required under previous GAAP.

- The company has applied modified retrospective approach to all leases contract existing as at 01st April 2021 under Ind As 116.

2) Classification and measurement of financial assets and liabilities:

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing as on date of transition. Financial Assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstance existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e., use of effective interest method, fair value of financial assets at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.



C. Reconciliations between GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income, and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS

1) Reconciliation of Other equity as at 31st March 2022 and 01st April 2021

Particulars	Note	Year ended on 31-03-2022	Upto 31-03-2021
Other Equity as per i-GAAP		3,886.62	3,681.21
Ind-AS adjustments on account of			
Depreciation and amortisation expense in respect of right to use assets	1	-77.05	-6.08
Interest expense on lease liability	1	-46.90	-3.75
Reversal of rent expenses due to IND AS 116	1	68.81	-
ECL Provision	4	-55.52	-161.61
Deferred tax impact on above IND AS adjustments	3	28.92	-368.56
Measurement of financial assets and liabilities at amortized cost	2	27.11	-22.94
Adjustments in Other Equity as per IND AS	-	-562.94	-
Total adjustments		-617.57	-562.94
Other Equity as per Ind - AS		3,269.05	3,118.27

2) Reconciliation of Total Comprehensive Income for the year ended on 31st March 2022

Particulars	Note	Year ended on 31-03-2022
Profit after tax as reported under Indian GAAP		205.41
Ind-AS adjustments on account of		
Depreciation and amortisation expense in respect of right to use assets	1	-77.05
Interest expense on lease liability	1	-46.90
Reversal of rent expenses due to IND AS 116	1	68.81
ECL Provision	4	-55.52
Deferred tax impact on above IND AS adjustments	3	28.92
Measurement of financial assets and liabilities at amortized cost	2	27.11
Adjustments in Employee Benefit Expenses - Taken to OCI	-	11.32
Total adjustments		-43.31
Profit after tax as reported under Ind AS		162.10
Other comprehensive Income (net of tax)		-11.32
Total Comprehensive Income for the Year		150.78



3) Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at 31st March 2022 and 01st April 2021 is as follows:

Sr. No.	Particulars	Note No.	(Rs. in Lakhs)		
			31/03/2022		
			Ind-AS Restated Balance Sheet	Impact of Ind-AS	Regrouped I-GAAP Balance Sheet
I ASSETS					
A Non-Current Assets					
a) Property Plant & Equipments			116.05	-	116.05
b) Right of Use Assets	1		424.72	424.72	-
c) Intangible Assets			1,141.60	-	1,141.60
d) Capital work in progress			198.57	-	198.57
e) Goodwill on Consolidation			-	-	-
f) Financial Assets			-	-	-
- Investments			2.06	-	2.06
- Loans			-	-	-
- Other Financial Assets	2		604.11	-72.63	676.73
h) Deferred Tax Assets (Net)			-	-	264.07
i) Other Non-Current Assets	2		44.49	44.49	-
Total Non-Current Assets			2,531.60	396.59	2,399.08
B Current Assets					
a) Unbilled Revenue			1,155.36	-	1,155.36
b) Financial Assets			-	-	-
- Trade receivables	3		3,909.69	-217.13	4,126.82
- Cash and cash equivalents			91.41	-	91.41
- Bank Balances other than Cash and Cash Equivalents			179.97	-	179.97
- Loans			58.56	-	58.56
- Other Financial Assets			-	-	-
c) Other Current Assets			1,819.63	-	1,819.63
Total Current Assets			7,214.61	-217.13	7,431.74
TOTAL ASSETS			9,746.21	179.47	9,830.82
II EQUITY AND LIABILITIES			0.00	0.00	0.00
1 EQUITY			0.00	0.00	0.00
a) Equity Share capital			488.84	-	488.84
b) Other Equity - attributable to owners of the company			3,269.05	-629.80	3,898.86
c) Non-controlling Interest			-	-	-
Total Equity			3,757.90	-629.80	4,387.70
2 LIABILITIES					
A Non-Current Liabilities					
a) Financial Liabilities					
- Long Term Borrowings			813.35	-	813.35
- Long Term Lease Liabilities	1		369.70	369.70	-
- Long-term Financial Liabilities			-	-	-
b) Long Term Provisions			19.32	-	19.32
c) Deferred Tax Liabilities (Net)			87.80	351.87	-
Total Non-Current Liabilities			1,290.16	721.57	832.67
B Current Liabilities					
a) Financial Liabilities					
- Short Term Borrowings			1,025.43	-	1,025.43
- Short Term Lease Liabilities	1		87.70	87.70	-
- Trade payables			-	-	-
(i) Total outstanding dues of Micro Enterprise and Small Enterprises			-	-	-
(ii) Total outstanding dues of Creditors other than Micro Enterprise and Small Enterprises			1,375.78	-	1,375.78
- Other Financial Liabilities			1,614.98	-	1,614.98
b) Short-Term Provisions			12.07	-	12.07
d) Current Tax Liabilities (Net)			582.18	-	582.18
Total Current Liabilities			4,698.15	87.70	4,610.45
Total Liabilities			5,988.31	809.27	5,443.12
TOTAL EQUITY & LIABILITIES			9,746.21	179.47	9,830.82



		(Rs. In Lakhs)			
		01/04/2021			
Sr. No.	Particulars	Note No.	Ind-AS Restated Balance Sheet	Impact of Ind-AS	Regrouped I-GAAP Balance Sheet
I	ASSETS				
A	Non-Current Assets				
	a) Property Plant & Equipments		79.18	-	79.18
	b) Right of Use Assets	1	364.90	364.90	-
	c) Intangible Assets		1,152.33	-	1,152.33
	d) Capital work-in-progress		-	-	-
	e) Goodwill on Consolidation		-	-	-
	f) Financial Assets		-	-	-
	- Investments		2.98	-	2.98
	- Loans		-	-	-
	- Other Financial Assets	2	610.67	-51.21	661.88
	h) Deferred Tax Assets (Net)		-	-	264.07
	i) Other Non-Current Assets	2	26.83	3.60	23.22
	Total Non-Current Assets		2,236.89	317.29	2,183.67
B	Current Assets				
	a) Unbilled Revenue		947.55	-	947.55
	b) Financial Assets		-	-	-
	- Trade receivables	5	3,879.96	-161.61	4,041.57
	- Cash and cash equivalents		112.63	-	112.63
	- Bank Balances other than Cash and Cash Equivalents		171.04	-	171.04
	- Loans		15.32	-	15.32
	- Other Financial Assets		-	-	-
	c) Other Current Assets		940.66	-	940.66
	Total Current Assets		6,067.16	-161.61	6,228.77
	TOTAL ASSETS		8,304.05	155.68	8,412.44
II	EQUITY AND LIABILITIES		0.00	0.00	0.00
1	EQUITY		0.00	0.00	0.00
	a) Equity Share capital		488.84	-	488.84
	b) Other Equity - attributable to owners of the company		3,118.27	-562.94	3,681.21
	c) Non-controlling Interest		-	-	-
	Total Equity		3,607.11	-562.94	4,170.05
2	LIABILITIES				
A	Non-Current Liabilities				
	a) Financial Liabilities				
	- Long Term Borrowings		224.23	-	224.23
	- Long Term Lease Liabilities	1	330.86	330.86	-
	- Long-term Financial Liabilities		-	-	-
	b) Long Term Provisions		12.63	-	12.63
	c) Deferred Tax Liabilities (Net)	3	104.48	168.56	-
	Total Non-Current Liabilities		672.21	699.42	236.86
B	Current Liabilities				
	a) Financial Liabilities				
	- Short Term Borrowings		1,539.94	-	1,539.94
	- Short Term Lease Liabilities	1	19.20	19.20	-
	- Trade payables		-	-	-
	(i) Total outstanding dues of Micro Enterprise and Small Enterprises		-	-	-
	(ii) Total outstanding dues of Creditors other than Micro Enterprise and Small Enterprises		871.89	-	871.89
	- Other Financial Liabilities		1,134.70	-	1,134.70
	b) Short-Term Provisions		1.56	-	1.56
	d) Current Tax Liabilities (Net)		457.43	-	457.43
	Total Current Liabilities		4,024.72	19.20	4,005.52
	Total Liabilities		4,696.93	718.62	4,242.39
	TOTAL EQUITY & LIABILITIES		8,304.05	155.68	8,412.44



- 4) Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at 31st March 2022 is as follows:

		(Rs. In Lakhs)			
		For the period of 1st April, 2021 to 31st March, 2022			
Sr. No.	Particulars	Note No.	Ind-AS Restated Profit & Loss Account	Impact of Ind-AS	Regrouped I-GAAP Profit & Loss Account
I	Income				
	a) Revenue from operations		5,133.90	-	5,133.90
	b) Other income	1	55.54	15.20	40.34
	Total Income		5,189.44	15.20	5,174.24
II	Expenses				
	d) Employee Benefit Expenses		554.99	-	554.99
	e) Finance costs	1	275.75	46.90	228.85
	f) Depreciation and amortization expense	1	280.16	77.05	203.12
	g) Other Expenses	1 & 3	3,808.88	(36.52)	3,845.40
	Total Expenses		4,919.78	87.43	4,832.35
III	Profit Before Exceptional Item & Tax (I-II)		269.66	(72.23)	341.89
IV	Exceptional Item		-	-	-
V	Profit Before Tax (PBT) (After Exceptional item) (III+IV)		269.66	(72.23)	341.89
VI	Tax Expense	30	-	-	-
	a) Current tax		124.24	-	124.24
	b) Deferred tax	3	(16.69)	(16.69)	-
	c) Income Tax (Prior Period)		-	-	-
	Total Tax Expenses		107.56	(16.69)	124.24
VII	Profit After Tax (PAT) (V-VI)		162.10	(55.54)	217.65
VIII	Other Comprehensive Income / (Expense)				
	a) Items that will not be reclassified to Profit & Loss		(11.32)	(11.32)	-
	Income tax in respect of above		-	-	-
	b) Items that may be reclassified to Profit & Loss		-	-	-
	Income tax in respect of above		-	-	-
	Total Other Comprehensive Income		(11.32)	(11.32)	-
IX	Total Comprehensive Income for the Year (VII+VIII)		150.78	(66.86)	217.65



5) Impact of Ind AS on the adoption in the statement of cash flow for the year ended 31st March 2022:

(Rs. In Lakhs)

Particulars	Ind AS Restated	Impact of Ind AS	Regrouped IGAAP
Net Cash Flows from Operating Activities	213.58	(334.43)	(120.85)
Net Cash Flows from Investing Activities Net	(564.69)	(128.86)	(693.55)
Cash Flows from Financing Activities	338.82	463.29	802.11
Net Increase/(Decrease) in Cash and Cash Equivalents	(12.29)	-	(12.29)
Cash and Cash Equivalents at the beginning of the period	283.67	-	283.67
Cash and Cash Equivalents at the end of the period	271.38	-	271.38

Foot notes to First time adoption changes

1. Lease accounting adjustment under Ind AS 116

The Company has leases for Immovable properties, Plant & Machinery and related facilities. Under the previous GAAP, all the of the payments in regard to these leases were expensed off in the statement of profit and loss. However, under Ind AS 116, the accounting is different as each lease is reflected on the balance sheet as a right-of-use asset and a lease liability with the exception of short-term leases and leases of low-value underlying assets which is expensed off in the statement of profit and loss. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

The above adjustment has also impacted cash flow statement of the Company as under the previous GAAP, the rent paid was used to be classified as operating activity; while the payments of lease liability under Ind AS 116 is classified under financing activities as per Ind AS 7.

Under the previous GAAP, the company has created rent equalization on straight line basis for the rent receivable. The same has been reversed as per the Ind AS 116.

3. Deferred tax impact on above Ind AS

Under Previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under Ind AS, deferred tax is recognized following balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments have also led to recognition of deferred taxes on new temporary differences.

4. Recognition of loss allowance for expected credit losses on financial assets measured at amortized cost

Under Previous GAAP, provision for doubtful debts was recognized based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Company. This judgement was based on consideration of information available up to the date on which the financial statements were approved and included a review of events occurring after the balance sheet date.

Under Ind AS, a loss allowance for expected credit losses is recognized on financial assets carried at amortized cost. Expected loss on individually significant receivables is assessed when they are past due and based on company's historical counterparty default rates and forecast of macroeconomic factors. Other receivables have been segmented by reference to the industry of the counterparty and other shared credit risk characteristics to evaluate the expected credit loss. The expected credit loss estimate is then based on recent historical counterparty default rates for each identified segment.

2. Measurement of financial assets and financial liabilities at amortized cost

Under Previous GAAP, all financial assets and financial liabilities were carried at cost. Under Ind AS, certain financial assets and financial liabilities are subsequently measured at amortized cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies, fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. For certain financial liabilities, the fair value of the financial liability at the date of transition to Ind AS has been considered as the new amortized cost of that financial liability at the date of transition to Ind AS.



54. Ratio Analysis

Sr. No.	Ratio	Formula	FY 2022-23	FY 2021-22
1	Current Ratio	Current Ratio= Current assets/ Current liabilities	1.90	1.54
2	Debt Equity ratio	Debt/Equity= Total Liabilities / Total Shareholders' Equity	1.06	1.59
3	Debt Service Coverage Ratio	DSCR= Net Operating Income / Total Debt Service	0.36	0.14
4	Return on Equity Ratio	Return on Equity= Net Income/ Shareholders' Equity	0.17	0.04
5	Inventory turnover ratio	Inventory Turnover= COGS/ Average Value of Inventory	-	-
6	Trade Receivables turnover ratio	Receivable Turnover Ratio = Net Credit Sales / Average Accounts Receivable	1.30	1.32

55. Other Notes and Remarks

- a) In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
- b) Additional information pursuant to Schedule III of the Companies Act, 2013 has not been furnished as the same is either Nil or not applicable.
- c) The Company has not revalued its Property, Plant and Equipment and intangible assets.
- d) There are no loans or advances in the nature of loans are granted to Promoters, KMPs and their related parties (as defined under Companies Act, 2013), either Severally or jointly with any other person, that are outstanding as on 31st March, 2023.
 - (i) Repayable on demand; or
 - (ii) Without specifying any terms or period of repayment
- e) The company is not declared wilful defaulter by any bank or financial institution or other lender.
- f) The company has not undertaken any transactions with companies stuck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- g) No Charges or satisfaction of charges are yet to be registered with Registrar of Companies beyond the statutory period.



- h) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (restriction on numbers of layers) Rules, 2017.
- i) Previous year's figures have been reclassified/regrouped, wherever necessary to make the same comparable with the current year's figures

As per our report attached
For *S. D. Mehta & Co.*
Chartered Accountants
(FRN. 137193W)

Shaishav D. Mehta
Partner
M. No.: 032891
Place : Ahmedabad
Dated: 23.05.2023
UDIN : 23032891BGTRDT1786

For and on behalf of the Board of
SecUR Credentials Limited

Rahul Belwalkar
Managing Director
DIN: 02497535

Ashish Mahendrakar
Executive Director & CFO
DIN: 03584695

Khushbu Shah
Company Secretary
M.No.-ACS59199



ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Audited Financial Information for the Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021. For further details please refer to the section titled '**Financial Statements**' beginning on page 72 of this Draft Letter of Offer.

ACCOUNTING RATIOS

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2023	2022	2021
Basic earnings per Equity Share (₹)	1.90	3.08	(14.04)
Diluted earnings per Equity Share (₹)	1.90	3.08	(14.04)
Return on Net Worth (%)	17.26	4.01	(19.03)
Net Asset Value per Equity Share (₹)	10.99	76.87	73.79
EBITDA (₹ in Lakhs)	1,690.99	817.64	336.94

The formula used in the computation of the above ratios are as follows:

Particular	Computation of Formulas
Basic earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares);
Diluted earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares (including convertible securities));
Return on Net Worth (%)	(Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)) / (Net worth at the end of the year);
Net Asset Value per Equity Share (₹)	(Net Worth) / (Number of Equity Shares outstanding for the year);
EBITDA (₹)	Profit for the year before finance costs, tax, depreciation, amortization and exceptional items as presented in the statement of profit and loss

Calculation of Return on Net Worth (%)

(₹ in Lakhs)

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2023	2022	2021
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (₹) (A)	778.59	150.75	(686.56)
Net worth at the end of the year (₹) (B)	4510.8	3757.86	3607.11
Return on Net Worth (%) [(A)/(B)]	17.26	4.01	(19.03)

Calculation of Net asset value Equity Share

(₹ in Lakhs)

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2023	2022	2021
Net Worth (₹) (A)	4510.8	3757.86	3607.11
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (B)	410.63	48.88	48.88
Net Asset Value per Equity Share (₹) [(A)/(B)]	10.99	76.87	73.79

**Calculation of Net Worth***(₹ in Lakhs)*

Particulars	Based on Restated Audited Financial Statements for the Financial Year ending March 31,		
	2023	2022	2021
Equity Share capital (₹) (A)	4,106.28	488.84	488.84
Reserves and Surplus (₹) (B)	404.52	3,269.02	3,118.27
Net Worth (₹) [(A)/(B)]	4,510.8	3,757.86	3,607.11

Calculation of EBITDA*(₹ in Lakhs)*

Particulars	Based on Restated Audited Financial Statements for the Financial Year ending March 31,		
	2023	2022	2021
Net Profit/ (loss) after tax (₹) (A)	778.59	162.07	(686.78)
Income tax expenses (₹) (B)	276.98	107.55	392.13
Finance Cost (₹)(C)	277.54	267.85	422.4
Depreciation and amortization expense (₹)(D)	357.88	280.17	209.19
EBITDA (₹) (A+B+C+D)	1690.99	817.64	336.94



STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our company's Equity Shares are listed on the BSE Limited and NSE. The Rights Equity Shares being issued pursuant to this Issue have not been listed earlier and will be listed on the Stock Exchanges pursuant to this Issue. For details, see 'Terms of the Issue' on page 133 of this Draft Letter of Offer.

Our Company has received in-principle approval for listing of the Rights Equity Shares on the Stock Exchanges to be issued pursuant to the Issue from BSE Limited by the letter dated [•] and NSE by the later dated [•]. Our Company will also make applications to both the Exchanges to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

STOCK MARKET DATA OF THE EQUITY SHARES

The high, low, and average closing prices recorded on the BSE, during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High (₹)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (₹)	Volume on date of low (Number of Equity Shares)	Average price for the year (₹)
2022-23	December 20, 2022	137.55	77,233	March 31, 2023	21.25	31,844	79.4
2021-22*	-	-	-	-	-	-	-
2020-21*	-	-	-	-	-	-	-

Source: www.bseindia.com

The high, low, and average closing prices recorded on the NSE, during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High (₹)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (₹)	Volume on date of low (Number of Equity Shares)	Average price for the year (₹)
2022-23	December 20, 2022	138	44,863	March 31, 2023	20.85	3,27,197	79.42
2021-22*	-	-	-	-	-	-	-
2020-21*	-	-	-	-	-	-	-

Source: www.nseindia.com

* The Equity Shares of our Company got listed on October 17, 2022, with main Board of NSE and BSE Limited, therefore the details sought are not available.

STOCK PRICES FOR THE LAST SIX MONTHS

The high and low prices and volume of Equity Shares traded on the respective dates on the BSE during the last six months is as follows:

Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares
July 2023	July 04, 2023	23.50	45,604	July 24, 2023	19.00	9,976	21	27,790
June 2023	June 01, 2023	25.50	1,20,766	June 27, 2023	22.35	3,27,589	21	2,24,178



Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares
May 2023	May 02, 2023	28.15	32,069	May 24, 2023	23.00	81,414	22	56,742
April 2023	April 27, 2023	27.70	32,028	April 17, 2023	22.10	23,253	17	27,641
March 2023	March 08, 2023	33.80	61,730	March 2023	21.25	31,844	21	46,787
February 2023	February 23, 2023	31.30	62,715	February 09, 2023	22.65	12,631	20	37,673

Source: www.bseindia.com

The high and low prices and volume of Equity Shares traded on the respective dates on the NSE during the last six months is as follows:

Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares
July 2023	July 03, 2023	23.50	3,18,443	July 19, 2023	19.20	1,22,710	20	2,20,577
June 2023	June 01, 2023	25.60	8,57,472	June 27, 2023	22.50	2,715,813	21	17,86,643
May 2023	May 03, 2023	28.10	10,35,264	May 26, 2023	23.00	17,38,292	22	13,86,778
April 2023	April 27, 2023	27.85	7,08,477	April 18, 2023	21.55	6,16,906	19	6,62,692
March 2023	March 08, 2023	33.00	5,02,016	March 31, 2023	20.85	3,27,197	23	4,14,607
February 2023	February 23, 2023	31.30	27,81,921	February 10, 2023	22.75	61,934	19	27,97,405

Source: www.nseindia.com

STOCK PRICES FOR THE LAST FOUR WEEKS

The high, low and average prices recorded on the BSE Limited, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Week ended on	Closing Price (₹)	High Price (₹)	Date of High	Low Price (₹)	Date of Low
August 04, 2023	20.16	20.35	August 02, 2023	19.15	August 01, 2023
July 28, 2023	19.95	21.54	July 25, 2023	19.50	July 28, 2023
July 21, 2023	19.81	21.90	July 19, 2023	19.11	July 19, 2023
July 14, 2023	20.58	22.85	July 14, 2023	20.00	July 11, 2023

Source: www.bseindia.com

The high, low and average prices recorded on the NSE Limited, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Week ended on	Closing Price (₹)	High Price (₹)	Date of High	Low Price (₹)	Date of Low
August 04, 2023	20.05	20.50	August 03 and 04, 2023	19.40	August 04, 2023
July 28, 2023	19.90	20.70	July 26, 2023	19.60	July 24 and 28, 2023
July 21, 2023	19.75	20.40	July 18 and 20, 2023	19.20	July 19, 2023
July 14, 2023	20.55	22.45	July 13, 2023	20.00	July 11, 2023

Source: www.nseindia.com

The Issue Price of ₹ [•] per Equity Share has been arrived at by our Company.

**SECTION VIII – LEGAL AND OTHER INFORMATION****KEY INDUSTRY REGULATION AND POLICES**

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer “Government and Other Approvals” on page 125. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

Industry-specific legislations applicable to our Company**Information Technology Act, 2000**

The Information Technology Act, 2000 (“IT Act”) regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, inter alia, obscene, offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and inter alia gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

Under Section 67 of the IT Act, publication or causing publication of lascivious material or material which is likely to corrupt persons, in electronic form, is punishable with imprisonment up to three years and with fine which may extend to 500,000 on a first conviction, and in the event of a second or subsequent conviction with imprisonment up to five years and also with fine which may extend to 10 lakhs.

Further, Section 43A provides for a body corporate to pay compensation to the affected person if it fails to protect the sensitive personal data handled, possessed or dealt by it. Pursuant to Section 44 of the IT Act, a person may be imposed with a fine of up to 1 lakh in case of failure to furnish any document, return or report to the controller or the certifying authority or fails to maintain books or records. Under Section 69A of the Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource. In April 2011, the Department of Information Technology under the Ministry of Communications & Information Technology, the Government of India notified the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 in respect of Section 43A of the IT Act (the “Personal Data Protection Rules”) and the Information Technology (Intermediaries guidelines) Rules, 2011 in respect of Section 79(2) of the IT Act (the “Intermediaries Rules”). The Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, the Government of India has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security. As part of our Company’s operations, we are required to comply with the IT Act and the provisions thereof.

Constitution of India

Indian Constitution guarantees civil liberties to the citizens of India under Article 21 in the form of Right to Personal Liberty, which includes Right to Privacy and by extension private data not available on public domain. Property in form of commercial database is covered in the means of livelihood and if any person violates it, then compensation can be duly claimed.

**General laws pertaining to compliance to be followed by our Company****The Companies Act, 2013:**

The Companies Act, 2013 came into existence by repealing the Companies Act, 1956 in a phased manner. It received the assent of the President on August 29, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act, 2013 deals with matters related to Incorporation of Companies, Prospectus and allotment of securities, share capital and Debentures, Acceptance of Deposits by Companies, Management and Administration, Appointment and Qualifications of Directors and other matters incidental thereto which are necessary for better Corporate Governance, bringing in more transparency in relation to Compliances and protection of shareholders & creditors.

The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Arbitration and Conciliation Act, 2015 ("Arbitration Act")

The Arbitration Act was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 ("Contract Act") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

The Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Transfer of Property Act, 1882 ("TP Act")

The Transfer of Property Act, 1882 (the "TP Act") establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

The Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

The Registration Act, 1908

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.



Negotiable Instruments Act, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheque on the ground of insufficiency of funds in the account maintained by a person with the banker.

Limitation Act, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for any suit, appeal or application by the Schedule, and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

The Prevention of Money Laundering Act 2002 (the PML Act)

The Prevention of Money Laundering Act 2002 (the PML Act), together with the rules issued thereunder and the rules and regulations prescribed by regulators, such as the Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI), set out the broad framework for the anti money laundering laws in India.

The PML Act not only criminalises the offence of money laundering, but also puts in place preventive measures. Under the PML Act, financial institutions and intermediaries, reference to which includes, non-banking financial companies (NBFCs), stockbrokers and payment system operators, are required to maintain records of transactions of a prescribed nature and above certain thresholds. The procedure and manner for providing such information is prescribed by the RBI in consultation with the central government.

State law legislations

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

The Maharashtra State Tax on Profession, Trades, Callings and Employments. Act, 1975, (the 'Professional Tax' Act)

This act is also called as the Maharashtra Professions Tax Act. Profession Tax means the tax on Professions, Trades, Callings and Employments levied under this Act. Profession Tax is a Tax may be imposed on Professions and Employments even though the employee is already paying an income tax. It is a tax on Professions, Trades, Callings and Employments for raising the resources needed for implementing the Employment Guarantee Scheme of the Maharashtra State Govt. and to provide for establishment of the Employment Guarantee Fund.

Labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following in an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

The Code on Wages, 2019

The new Code replaces the following four laws: (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

The Code on Social Security, 2020:

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the



Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

The Occupational Safety, Health and Working Conditions Code, 2020:

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rulefs, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder
- Minimum Wages Act, 1948 (“MWA”) and the rules framed thereunder

Tax laws

The Income Tax Act, 1961

The Income Tax Act deals with computation of tax liability of individuals, corporates, partnership firms and others. The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

The Goods and Service Tax (GST)

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST has mainly removed the Cascading effect on the sale of goods and services. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall



contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location.

Intellectual Property Laws

The Trademarks Act, 1999 (“Trademarks Act”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks.

Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography and sound recordings. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Patents Act, 1970

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the criteria.

Foreign Investment Laws

The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, Goods and Services Tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to us. In addition to the above, we are required to comply with the provisions of the Companies Act, the Competition Act, 2002, different state laws and other applicable statutes for our day-to-day operations. Additionally, the GST Council on their 34th meeting on March 19, 2019 deliberated upon and decided new GST rate structure for the real estate sector, which has become effective from April 1, 2019.

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:-(i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import (“EXIM”) Policy. Under the EXIM Policy, export of defence equipment falls under the restrictive Special Chemicals, Organisms, Materials, Equipment and Technologies list and requires a license.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by the Director General of Foreign Trade pursuant to section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority.

**The Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEM Rules and the FDI Policy. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEM Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid up equity capital on a fully diluted basis or shall not exceed five percent of the paid -up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid -up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid -up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid -up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEM Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, all investments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against

securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

Overseas Direct Investment (“ODI”)

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.



OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

Except as disclosed below, there are no outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as ‘material’;

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on November 14, 2022 for the purposes of Litigation(s)/dispute(s)/regulatory action(s) with impact, if it exceed 10% of the consolidated income, consolidated profit before tax or consolidated net worth, as may be applicable.

CONTINGENT LIABILITIES OF OUR COMPANY

As per the Financial Statements for the Financial Year ending March 31, 2023, there are no contingent liabilities.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there is no Litigation involving Actions by Statutory Authorities against our Company;

2) Litigation involving Tax Liabilities

a) Direct Tax Liabilities

1. An Appeal has been made against the order received on May 19, 2023 for the Assessment Year 2017-18 under section 147 of Income Tax Act, 1961 from Income Tax Authority. The Appeal was made under section 246A on the amount of Income Assessed Rs. 2,97,80,230 (Rupees Two Crore Ninety Seven Lakhs Eighty Thousand Two Hundred Thirty Only) and total addition to the income is Rs. 35,82,800 (Rupees Thirty Five Lakhs Eighty-Two Thousand Eight Hundred Only). The amount of addition/disallowance of loss in dispute in Appeal is Rs. 35,82,800 (Rupees Thirty Five Lakhs Eighty-Two Thousand Eight Hundred Only) and amount in Dispute demand is Rs. 96,15,904 (Rupees Ninety Six Lakhs Fifteen Thousand Nine Hundred Four Only).

The matter is currently pending.

b) Indirect Taxes Liabilities

1. Company has received a notice on [•] from [DGGI, Vishakhapatnam for Investigation of GST from July 2017 onwards. Our Company has filed the reply.](#)

3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving issues of moral turpitude or criminal liability filed against our Company.

4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are no proceedings involving issues of material violations of statutory regulations our Company.

5) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

6) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company



As on date of this Draft Letter of Offer, there is no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP

As on date of this Draft Letter of Offer, there are no cases involving our Promoter i.e., Mr. Pankaj A. Vyas.

Litigation Involving Promoter Group

Litigation against our Promoter Group

1. A case No. 2664/2017 has been filed by the State of Maharashtra, Navghar Police Station against Mr. Urvesh Janak Vyas(Promoter Group) on 26.06.2017 at Judicial Magistrate First Class Court 1, Thane under Section 279, 337, 338 and 427 of the Indian Penal Code(IPC) and 184 and 187 of the Motor Vehicle Act.

The matter is pending before the Hon'ble Court.

2. A Case No. 13257/2021 has been filed by Dewan Housing Finance Limited Against Ms. Vaishali Pankaj Vyas(Promoter Group) on 11.02.2021 at Chief Judicial Magistrate, Gurgaon under Section 138 of the Negotiable Instrument Act, 1881, for dishonour of cheque due to insufficient funds in the account.

The matter is pending before the Hon'ble Court.

LITIGATION INVOLVING OUR DIRECTORS

1) Other proceedings involving our Directors which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

1. * A Case No.: 100552/2023 has been filed on 15.06.2023 against our Director, Mr. Rahul Suresh Belwalkar by State Bank of India (SBI) at Chief Metropolitan Magistrate, Esplanade Court, Mumbai under Section 14 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the SARFAESI Act). With respect to the same matter a notice, ref no.: SAMB II/Mum/Team 10/2022*23/1322 has been received on November 11, 2022 from State Bank of India(SBI) under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the SARFAESI Act). SBI has granted financial assistance by way of Various Credit facilities against various assets creating security interest in favour of the Bank to CRP Risk Management Ltd. The financial assistance was secured by personal guarantees and various assets. In which one of the Personal guarantor in the said credit facility was Mr. Rahul Suresh Belwalkar, director of our Company. The total outstanding liabilities in the facility (in aggregated) is Rs. 19, 73,27,128.32(Rupees Nineteen Crore Seventy Three Lakhs Twenty-Seven Thousand One Hundred Twenty-Eight and Three Two Only).

The said matter is currently pending before Hon'ble Court.

*As on date of this Draft Letter of Offer, there are several cases against the Directors of the Company. However, only one matter can be considered as 'Material' to disclose in which amount involved exceeds the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

LITIGATION INVOLVING OUR GROUP COMPANIES

Litigation involving our Group Companies

As on date of this Draft Letter of Offer, Company have no group companies.

LITIGATION INVOLVING OUR SUBSIDIARY COMPANIES

Litigation involving subsidiary companies

As on date of this Draft Letter of Offer, Company have no Subsidiary Company.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS



Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

OUTSTANDING DUES TO CREDITORS

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds 10% of the Turnover for the last Audited Financial Statements, shall be considered as a material creditor of our Company. Our Company does not have any creditor that exceeds 10% of the Turnover for the last Audited Financial Statements.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR THE FINANCIAL YEAR ENDING MARCH 31, 2023

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.



GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authority's/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities. For further details in connection with the regulatory and legal framework within which we operate, please refer "Key Regulations and Policies" on page 116.

APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on September 29, 2023, authorized the Issue;

In-principle approval dated [●] and [●] from the BSE Limited and NSE respectively to use their name for listing of the Equity Shares issued by our Company pursuant to the Issue;

The ISIN of the Company is INE195Y01010;

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registration Number	Issuing Authority	Date of Certificate	Date of Expiry
	Certificate of Incorporation in the name of 'Axis Resources Private Limited'	U63090MH2001PTC133050	Registrar of Companies, Maharashtra	August 14, 2001	Valid until Cancelled
2.	Fresh Certificate of Incorporation from 'Axis Resources Private Limited' to 'SecUR Credentials Private Limited'	U74110MH2001PTC133050	Registrar of Companies, Maharashtra	July 18, 2016	Valid until Cancelled
3.	Fresh Certificate of Incorporation from 'SecUR Credentials Private Limited' to 'SecUR Private Limited'	U74110MH2001PLC133050	Registrar of Companies, Maharashtra	July 27, 2017	Valid until Cancelled

TAX RELATED APPROVALS

Sr. No.	Description	Applicable Regulation Act/	Issuing Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Act, 1961	Income Tax Department, GoI	AADCA3292Q	August 14, 2001	Valid until cancelled
2.	Tax Deduction and Collection Account Number (TAN)	Income Tax Act, 1961	Income Tax Department, GoI	MUMA23675B	December 02, 2017	Valid until cancelled
3.	GST Registration	The Goods and Services Act, 2017	Government of India	27AADCA3292Q2Z5	April 05, 2021	Valid until cancelled

BUSINESS RELATED APPROVALS



Sr. No.	Description	Applicable Regulations Act/	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	*Certificate of Registration under Professional Tax	The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Professional Tax Department, Mumbai	27655204271P	January 25, 2008	NA
2.	Certificate of Enrolment under Professional Tax	The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Professional Tax Department. Mumbai	99281557105P	[.]	[.]
3.	Certificate of Import Export Code (IEC)	The Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade	AADCA3292Q	February 27, 2018	Perpetual
5.	Shop and Establishment Registration Certificate for Registered Office	The Bombay Shops and Establishments Act, 1948	Office of Chief Officer.	820192391/ PS Ward/ COMMERCIAL II	December 01, 2021	NA
6.	MSME /Udyam Registration Certificate	The Micro, Small and Medium Enterprise Act, 2006	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-19-0039217	February 05, 2021	Perpetual

NA-Not Available

*The said registration is in the name of Axis Resources Private Limited, Our Company is in the process to change the name into Secur Credentials Limited.


LABOUR LAW RELATED APPROVALS

Sr. No.	Description	Applicable Regulations Act/	Authority	Registration Number/ Code	Date of Certificate	Date of Expiry
1.	*Registration Certificate under ESIC	The Employee's State Insurance Act, 1948	Employee's Provident Fund Organization	3500032616000099	April 20, 2012	Valid until Cancelled
2.	*Registration Certificate under Provident Fund	Employee's Provident Fund and Miscellaneous Provisions Act, 1952.	Employee's Provident Fund Organization	MH/PF/APP/214573	May 01, 2012	Valid until Cancelled
3.	MLWF Registration	The Maharashtra Labour Welfare Fund Act, 1953	-	MUMUMS002606	December 01, 2019	NA

OTHER CERTIFICATES

Sr. No.	Particulars	Certificate No.	Date of Issue/Re-Issue	Validity
1.	ISO/IEC	ISMS/91/R/A/1422/g	June 10, 2023	October 24, 2025

INTELLECTUAL PROPERTY RIGHTS

Sr. No.	Trademarks/ Copyright Application	Trademark/Logo/ Device	Class Trademark Type	Date of Application	Registration Status
1.	3670080	 SecUR Number	45	November 04, 2017	Registered

PENDING FOR RENEWAL LICENSES

There are no license/certificates which are pending for renewal.



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

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

Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on Friday, September 29, 2023.

The Board of Directors of our Company in their meeting conducted on [●] approved this Issue inter-alia on the following terms:

Issue Size	[●] Equity Shares;
Issue Price	□ [●]/- (Rupees [●] only) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. □ [●]/- (Rupees Twelve) per Rights Equity Share, including a premium of □ [●]/- (Rupees [●]) per Rights Equity Share);
Rights Issue Entitlement Ratio	1:1 i.e., 1 Equity Shares for every 1 Equity Shares held by eligible Equity Shareholders of our Company as on Record Date;
Record Date	[●];

The Board of Directors in their meeting held on [●] have determined the Issue Price as □ [●]/- per Equity Share and the Rights Entitlement as 1 Rights Equity Share for every 1 Equity Share held on the Record Date.;

This Draft Letter of Offer has been approved at Committee meeting of the Board of Directors on 06th October, 2023;

Receipt of In-principle approval from Stock Exchanges in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited dated [●] and letter bearing reference number [●] from NSE. Our Company will also make application to both the Exchanges to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company;

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

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

The companies with which our Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;

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

Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been declared as fugitive economic offenders or wilful defaulters;

None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;

There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Subsidiary Companies;

The Company, its Promoters, members of Promoter Group, are in compliance with Companies (Significant Beneficial Ownership) Rules, 2018;

PROHIBITION BY RBI



Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited and National Stock Exchange of India Limited. Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;

Our Company is undertaking this Right Issue in compliance with Part B-1 of Schedule VI of the SEBI (ICDR) Regulations.

Our Company undertakes to make an application to Stock Exchanges for listing of the Right Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

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

Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;

Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchanges for listing of the Right Shares to be issued pursuant to this Issue;

COMPLIANCE PART B-1 OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

[•]

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹ 5,000.00 Lakhs. As required, a copy of the Letter of Offer will be submitted to SEBI.

DISCLAIMER CLAUSES FROM OUR COMPANY

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

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

CAUTION

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

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

DISCLAIMER WITH RESPECT TO JURISDICTION



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

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Rights Issue will be BSE Limited and National Stock Exchanges of India Limited.

DISCLAIMER CLAUSE OF BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited and NSE. BSE Limited and NSE has given vide its letter dated [●] and [•] respectively to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited and NSE to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited and NSE.

Further, BSE Limited and NSE does not in any manner:

- . Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
- . Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited and NSE; or
- . Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the both the Stock Exchanges.

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹ 5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with BSE Limited and NSE for obtaining in-principle approval.

PREVIOUS PUBLIC OR RIGHTS ISSUES, IF ANY, DURING THE LAST FIVE YEARS

Our Company has not made any public issue or rights issue of any kind or class of securities since incorporation, and hence disclosures with respect to Performance vis-à-vis objects–Public/ rights issue by our Company, is not applicable.

CONSENTS

Consents in writing of all our Directors, Legal Counsel to the Issue, the Registrar to the Issue, in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Draft Letter of Offer.

EXPERT

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

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

SELLING RESTRICTIONS

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



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

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

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

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

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

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

The contents of this Draft Letter of Offer, the Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Right Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Right Shares or Rights Entitlements. In addition, neither our Company nor the Registrar nor any of their respective affiliates are making any representation to any offeree or purchaser of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Right Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

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



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

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

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- . **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- . **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- . **Where a registered Indian address is not provided;**
- . **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.

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

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of Mithun Kothari, Amit Kumar Bharti and Shireen Mohd Haneef Khan, members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Managing Director and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Skyline Financial Services Private Limited** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

Investor Grievances arising out of this Issue

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

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

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of



the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

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

Investors may contact the Registrar to the Issue or the Managing Director and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled ***'Terms of the Issue'*** on page 133 of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Compliance Officer of our Company are as follows:

Managing Director and Compliance Officer	Registrar to the Issue
<p>Contact Person: Mr. Rahul Belwalkar Prism Tower, 'A' Wing, 8th Floor, Unit No.5, Off Link Road, Mindspace, Malad (West), Mumbai, Maharashtra-400064 Tel: +91 22 6904 7100 Email-ID: connect@secur.co.in / Investor_relation@secur.co.in Website: www.secur.co.in</p>	<p>Skyline Financial Services Private Limited A/506, Dattani Plaza, Andheri Kurla Road, Andheri East Mumbai – 400072; Contact Details: +91 22 2851 1022 / 6221 5779; E-mail ID / Investor grievance e-mail: Mumbai@skylinerta.com/ grievance@skylinerta.com Website: www.skylinerta.com Contact Person: Mr. Subhash Dhingreja SEBI Registration Number: INR000003241</p>



SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see ‘Application By Eligible Equity Shareholders Holding Equity Shares In Physical Form’ on page 147 of this Draft Letter of Offer.

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

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, ASBA Circular, our Company will send/dispatch at least 3 (Three) days before the Issue Opening Date, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other applicable Issue Materials only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them. Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

Access of Documents on the website of	URL of websites
Company	www.secur.co.in
Registrar to the Issue	www.skylinerta.com
BSE Limited	www.bseindia.com
NSE	www.nseindia.com

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue’s website at www.skylinerta.com by entering their DP-ID, Client-ID, or Folio Number (for Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date) and PAN. The link for the same shall also be available on the website of our Company at www.secur.co.in.

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form attributable to the non-availability of the e-mail addresses of Eligible



Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

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

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

2. Process of making an Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' on page 144, respectively of this Draft Letter of Offer.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled 'Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders' on page 135 of this Draft Letter of Offer.



Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Entitlements by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the paragraph titled ‘Grounds for Technical Rejection’ on page 150 of this Draft Letter of Offer. Our Company, the Registrar to the Issue, and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see the section entitled ‘Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process’ on page 139 of Draft Letter of Offer.

3. Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations, read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- (i) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
- (ii) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise RightsEntitlements relating to:
 - (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (b) Equity Shares held in the account of IEPF authority; or
 - (c) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or withthe Registrar on the Record Date; or
 - (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demataccounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
 - (e) Credit of the Rights Entitlements returned/reversed/failed; or
 - (f) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable
 - (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.skylinerta.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.



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

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link / Email- ID
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	www.skylinerta.com
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	
Updating of demat account details by Eligible Shareholders holding shares in physical form	investors@skylinerta.com

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

BASIS FOR THIS ISSUE

The Rights Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date i.e., [•].

RIGHTS ENTITLEMENTS

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, i.e. [•], you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Common Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

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

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective

demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. www.skylinerta.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form only to Eligible Equity Shareholders



who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

PRINCIPAL TERMS OF THIS ISSUE

Face Value	Each Rights Equity Share will have the face value of ₹ 10.00/- (Rupees Ten Only).
Issue Price	<p>₹ [●]/- (Rupees [●] only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹ [●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹ [●]/- (Rupees [●]) per Rights Share).</p> <p>On Application, Investors will have to pay ₹ [●] (Rupees [●] Only) per Rights Share which constitutes 100% (100 Percent) of the Issue Price. On Application for the shares in the issue, Investor have to pay ₹ [●]/- (Rupees Twelve only) of the Issue Price.</p>
Rights Entitlements Ratio	The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 (ONE) Rights Equity Shares for every 1 (ONE) Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e., [●].
Renunciation of Rights Entitlements	<p>This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.</p> <p>The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and <i>vice versa</i> shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.</p> <p>The renunciation of Rights Entitlements credited in your demat account can be made either by way of On Market or through off-market transfer. For details, see ‘<i>Procedure for Renunciation of Rights Entitlements</i>’ on page 145 of this Draft Letter of Offer.</p> <p>In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.</p> <p>In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date, i.e. [●]; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.</p> <p>In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall be active for renouncement or transfer only during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.</p> <p>Eligible Equity Shareholders, whose Rights Entitlement are credited in demat suspense escrow account opened by our Company are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer</p>
Credit of Rights Entitlements in dematerialised account	



Trading of the Rights Entitlements

from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.skylinerta.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●] AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE ‘PROCEDURE FOR APPLICATION’ ON PAGE 135 OF THIS DRAFT LETTER OF OFFER.

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under Rights Entitlement ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see ‘*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*’ and ‘*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*’ on page 145 and page no 145 respectively of this Draft Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renounees, application in the Issue could be made until the Issue Closing Date. For details, see ‘*Procedure for Application*’ on page [●] of this Draft Letter of Offer.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

□ [●]/- (Rupees [●] Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. □ / [●] (Rupees [●] Only) per Rights Equity Share, including a premium of □ [●]/- (Rupees [●] only) per Rights Share).

On Application, Investors will have to pay □ [●] (Rupees [●] Only) per Rights Share which constitutes 100% (100 Percent) of the Issue Price. On Application for the shares in the issue, Investor have to pay □ [●]/- (Rupees [●] Only) of the Issue Price..

Where an Applicant has applied for additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI(ICDR) Regulations. If there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Terms of Payment



<p>Fractional Entitlements</p>	<p>The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1(one) Rights Equity Shares for every 1(one) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in the multiple of [●] ([●]) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preferential consideration for the Allotment of one (1) additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p> <p>For example, if an Eligible Equity Shareholder holds [●] ([●]) Equity Shares, such Equity Shareholder will be entitled to [●] ([●]) Rights Equity Share and will also be given a preferential consideration for the Allotment of one (1) additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p> <p>Further, the Eligible Equity Shareholders holding less than [●] ([●]) Equity Shares shall have ‘zero’ entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.</p>
<p>Credit Rating Ranking</p>	<p>As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.</p> <p>The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank <i>pari passu</i> with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid up equity capital of our Company.</p>
<p>Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue</p>	<p>Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from both the Exchanges vide its letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.</p> <p>For an applicable period, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors’ demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.</p> <p>The existing Equity Shares are listed and traded on BSE Limited and National Stock Exchange of India Limited (BSE Scrip Code: 543625) and Stock Exchanges (Symbol: SECURCRED) under the ISIN: INE195Y01010. The Rights Equity Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.</p> <p>The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.</p>



	<p>In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four (4) days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four (4) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.</p> <p>For details of trading and listing of partly paid-up Rights Equity Shares, please refer to the heading ‘<i>Terms of Payment</i>’ at page 139 of this Draft Letter of Offer.</p>
<p>Subscription to this Issue by our Promoters and our Promoter Group</p>	<p>For details of the intent and extent of subscription by our Promoter and the Promoter Group, please refer to the chapter titled ‘<i>Capital Structure – Intention and extent of participation by our Promoters/Principal Shareholders</i>’ on page 70 of this Draft Letter of Offer.</p>
<p>Rights Holders of Rights Equity Shares of our Company</p>	<p>Subject to applicable laws, Rights Equity Shareholders shall have the following rights:</p> <ul style="list-style-type: none"> a) The right to receive dividend, if declared; b) The right to vote in person, or by proxy; c) The right to receive surplus on liquidation; d) The right to free transferability of Rights Equity Shares; e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association. <p>Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue</p>



GENERAL TERMS OF THE ISSUE

Market Lot	The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one (1) Equity Share.
Joint Holders	Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.
Nomination	Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.
Arrangements for Disposal of Odd Lots	Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.
Restrictions on transfer and transmission of shares and on their consolidation/splitting	The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1(one) Rights Equity Share and hence, no arrangements for disposal of odd lots are required.
Notices	There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019 and as amended vide SEBI Notification bearing No. SEBI/LAD-NRO/GN/2022/66 on January 24, 2022, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository. Provided further that transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.
Notices	In accordance with the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, our Company will send /dispatch the Letter of Offer, the Rights Entitlement Letter, Common Application Form and other issue materials (“ Issue Materials ”) only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.
Notices	Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.
Notices	All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in (i) one English language national daily newspaper with wide circulation; (ii) one Hindi language national daily newspaper with wide circulation; and (iii) one Telugu language daily newspaper with wide circulation (Telugu being the regional language of Telangana, where our Registered Office is situated) and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.



Offer to Non-Resident Eligible Equity Shareholders/ Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on info@skylinerta.com or physically/postal means at the address of the Registrar mentioned on the cover page of the Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their patriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Shareholders holding Equity Shares in physical form as on the Record Date, see 'Procedure for Application by Eligible Shareholders holding Equity Shares in physical form' on page 142. of this Draft Letter of Offer.

The Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Common Application Form

The Common Application Form for the Rights Equity Shares offered as part of this Issue would be sent/ dispatched (i) only to email address of the resident Eligible Equity Shareholders who have provided their email address; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, who have not provided a valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date. The Renouncees and Eligible Equity Shareholders who have not received the Common Application Form can download the same from the website of the Registrar, our Company or Stock Exchanges.



In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Common Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit investors@skylinerta.com. Investors can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

Access of Documents on the website of	URL of websites
Company	www.secur.co.in
Registrar to the Issue	www.skylinerta.com
BSE Limited	www.bseindia.com
NSE	www.nseindia.com

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.skylinerta.com/rights-issue/input-form.php by entering their DP-ID and Client-ID or Folio Number (Physical Shareholders) and PAN. The link for the same shall also be available on the website of our Company at www.secur.co.in.

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue, based on the Rights Entitlement credited in their respective demat accounts. Please note that one single Common Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Common Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Common Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Common Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see ‘Grounds for Technical Rejection’ on page 150 of this Draft Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making a plain paper Application. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ‘Application on Plain Paper under ASBA process’ on page 146 of this Draft Letter of Offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Rights Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:



1. Apply for its Rights Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements;
or
4. Apply for its Rights Shares to the full extent of its Rights Entitlements and apply for additional Rights Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘CIR/CFD/DIL/13/2012’ dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

The Company, its directors, employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Shares:

1. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

1. Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section ‘**Application on Plain Paper under ASBA processes**’ on page 146 of this Draft Letter of Offer.

ADDITIONAL RIGHTS SHARES

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section ‘**Basis of Allotment**’ on page 154 of this Draft Letter of Offer.



Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchanges under the RE ISIN [●] allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the RE ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchanges under automatic order matching mechanism and on 'T+2 rolling settlement bases', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stockbroker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

i) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the RE ISIN [●] allotted for the Rights Entitlement subject to requisite approvals, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights



Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED

The application on plain paper, duly signed by the Eligible Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- i) Name of our Company, being **‘SECUR CREDENTIALS LIMITED’**;
- ii) Name and address of the Eligible Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- iii) Registered Folio Number/DP-ID and Client ID Number;
- iv) Number of Equity Shares held as on Record Date;
- v) Allotment option – only dematerialized form;
- vi) Number of Rights Shares entitled to;
- vii) Total number of Rights Shares applied for within the Rights Entitlements;
- viii) Number of additional Rights Shares applied for, if any;
- ix) Total Application Money at the rate of $\square[\bullet]$ /- for Rights Shares;
- x) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- xi) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- xii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to this Issue;
- xiii) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- xv) In addition, all such Eligible Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the US Securities Act of 1933, as amended (the “US Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in offshore transactions outside the United States in



compliance with Regulation S under the US Securities Act (“**Regulation S**”) to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Draft Letter of Offer.

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

In cases where multiple Common Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Common Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.skylinerta.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.skylinerta.com.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. [●] and who have opened their demataccounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;



- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The Eligible Equity Shareholders can access the Common Application Form from:

Access of Documents on the website of	URL of websites
Company	www.secur.co.in
Registrar to the Issue	www.skylinerta.com
BSE Limited	www.bseindia.com
NSE	www.nseindia.com/

- (d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.* www.skylinerta.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (*i.e.* www.secur.co.in);
- (e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

GENERAL INSTRUCTIONS FOR INVESTORS

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Common Application Form sent to you.
- (c) The Common Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (d) Application should be made only through the ASBA facility.
- (e) Application should be complete in all respects. The Common Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form are liable to be rejected. The Common Application Form must be filled in English.
- (f) In case of non-receipt of Common Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA process' on page 146 of this Draft Letter of Offer.
- (g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (i) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date for Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.



- (j) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- (k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Common Application Form.
- (l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Common Application Form.**
- (m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (o) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Common Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (p) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Common Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (t) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do's:

- (a) Ensure that the Common Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects.



SecUR Credentials Limited – Draft Letter of Offer

- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (g) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (h) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.
- (k) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter.

Don't's:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.
- (f) Do not submit the Common Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (g) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Common Application Form having been frozen pursuant to regulatory orders.



- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one Common Application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Common Application Forms, including cases where an Investor submits Common Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Common Application Forms which are not submitted by the Investors within the time periods prescribed in the Common Application Form and the Letter of Offer.
- (l) Physical Common Application Forms not duly signed by the sole or joint Investors.
- (m) Common Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) does not include the certifications set out in the Common Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Common Application Form is incomplete or acceptance of such Common Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Common Application Form.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE COMMON APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE COMMON APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE COMMON APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME

JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper

Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Common Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Common Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the



Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Common Application Forms are liable to be rejected.

MODE OF PAYMENT

All payments against the Common Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Common Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Common Application Form.

The SCSB may reject the application at the time of acceptance of Common Application Form if the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Mode of payment for Resident Investors

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.

Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the



Common Application Form and the Rights Entitlement Letter. All payments on the Common Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- (i) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, on the Stock Exchange, and our Company;

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering such jurisdiction. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions and in each case who make a request in this regard.

- (ii) Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- (iii) Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) In case of an Common Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Common Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renounees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '**Procedure for Applications by Mutual Funds**' on page [●] of this Draft Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in '**Capital Structure – Intention and extent of participation by our Promoters / Principal Shareholders**' on page 71 of this Draft Letter of Offer.



Last date for Application

The last date for submission of the duly filled in the Common Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Common Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the paragraph titled ‘Basis of Allotment’ on page 154. of this Draft Letter of Offer.

Please note that on the Issue Closing Date for Applications through ASBA process shall be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Common Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Issue Schedule

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION*	[●]
ISSUE CLOSING DATE#	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

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

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

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, i.e. [●], have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e [●].

For details, please see the section titled ‘General Information’ on page 34 of this Draft Letter of Offer.

BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Shares in the following order of priority:

Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Rights Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Shares renounced in their favour, in full or in part.

Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.



Allotment to the Eligible Shareholders who having applied for all the Rights Shares offered to them as part of this Issue, have also applied for additional Rights Shares. The Allotment of such additional Rights Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

Allotment to Renounees who having applied for all the Rights Shares renounced in their favour, have applied for additional Rights Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Shares in this Issue, along with:

The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank to refund such Applicants.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

Unblocking amounts blocked using ASBA facility.



National Automated Clearing House (hereinafter referred to as 'NACH') – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

National Electronic Fund Transfer (hereinafter referred to as 'NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as 'IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

RTGS – If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/ reversed/ failed) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated [•] with NSDL and an agreement dated [•] with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary



account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Common Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Common Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Common Application Form, the Investor will not get any Rights Equity Shares and the Common Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which maybe specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the off shore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs



SecUR Credentials Limited – Draft Letter of Offer

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that

the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants

issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited consolidated financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 millions or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount. In case the fraud involves (i) an amount which is less than



SecUR Credentials Limited – Draft Letter of Offer

□ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to □ 5 million or with both.

Payment by stock invest

In terms of the RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Common Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Common Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board or our duly authorized committee reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application

Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Common Application Form carefully.

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balancesheet of our Company indicating the purpose for which such monies had been utilized; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separatehead in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the EquityShares are to be listed will be taken within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen)days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.



MINIMUM SUBSCRIPTION

The Promoters of our Company through its board resolution October 06, 2023, have confirmed that it may renounce full/a part of their Rights Entitlement in favour of third parties. The extent of renouncement, if any, shall be finalized before the filing of Letter of Offer with SEBI and Stock Exchanges.

In the event Promoter decides to renounce its Right Entitlement in favour of third parties, the minimum subscription criteria provided under Regulation 86 (1) of the SEBI ICDR Regulations might apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive minimum subscription of at least 90% of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rate as prescribed under the applicable laws.

IMPORTANT

Please read the Issue Materials carefully before taking any action. The instructions contained in the Issue Materials are an integral part of the conditions and must be carefully followed; otherwise the Application is liable to be rejected.

All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**SECUR CREDENTIALS LIMITED – RIGHT ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

Address: A/506, Dattani Plaza, Andheri Kurla Road, Andheri East Mumbai – 400072;

Contact Number: +91-22-2851-1022

E-mail ID: info@skylinerta.com

Investor grievance e-mail: investors@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Subhash Dhingreja

SEBI Registration Number: INR000003241

1. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.skylinerta.com);. Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 - 28511022.
2. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the ‘automatic route’, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the ‘government route’, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (‘FDI’) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (‘DPIIT’), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (‘**FDI Circular 2020**’), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

The Registrar to the Issue and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies (‘OCBs’) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

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



SECTION X – OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.



MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and the documents for inspection referred to hereunder, would be available on the website of the Company at www.secur.co.in from the date of this Draft Letter of Offer until the Rights Issue Closing Date.

Material Contracts for the Rights Issue

1. Registrar Agreement dated [●] between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company, the Registrar to the Issue and the Bankers to the Issue;

Material Documents in relation to the Rights Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company;
3. Copies of audited financial results for the Financial Year ended March 31, 2023, and the annual report of our Company for the last 3 (Three) Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021;
4. Resolution of our Board of Directors dated September 29, 2023 approving the Issue;
5. Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Resolution of our Board of Directors dated October 06, 2023, approving this Draft Letter of Offer;
7. Resolution of our Board of Directors dated [●], approving the Letter of Offer;
8. Consents of our Directors, Chief Financial Officer, Bankers to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated October 06, 2023, for our Company from the Statutory Auditors of our Company;
10. In-principle approval issued by BSE Limited and NSE dated [●] and [●];

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Clitigationlitigationcompany or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by all the Directors of our Company

Rahul Belwalkar
MD, Chairperson & Executive Director

Ashish Ramesh Mahendrakar
Chief Financial Officer & Executive Director

Jaykishan Darji
Independent Director

Prateek Jain
Independent Director

Shireen Mohd Haneef Khan
Independent Director

Amit Kumar Bharti
Independent Director

Mithun Kothari
Independent Director

Date: 06 October, 2023
Place: Mumbai