



ACE SOFTWARE EXPORTS LIMITED

Our Company was incorporated as 'Ace Software Exports Limited' as a public limited company under the Companies Act, 1956 at Rajkot, Gujarat vide certificate of incorporation dated August 17, 1994 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Subsequently, our Company was granted the certificate of commencement of business dated September 23, 1994. There has been no change in the name of the Company since its incorporation.

Registered Office: 801 Everest Commercial Complex, Opp. Shastri Maidan, Rajkot - 360001, Gujarat, India. | **CIN:** L72200GJ1994PLC022781

Telephone: 0281-2226097 | **Email:** investorinfo@acesoftex.com | **Website:** www.acesoftex.com

Contact Person: Mansi Patel, Company Secretary and Compliance Officer.

OUR PROMOTERS: VIKRAM BHUPAT SANGHANI, SANJAY HARILAL DHAMANIA AND AMIT MANSUKHLAL MEHTA.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ACE SOFTWARE EXPORTS LIMITED ONLY

RIGHTS ISSUE OF UP TO [●] PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH OF OUR COMPANY ("RIGHTS EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] (RUPEES [●] ONLY) EACH INCLUDING A SHARE PREMIUM OF ₹ [●] (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO AN AMOUNT OF UP TO ₹ 7021.25 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], [●], 2025 (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 91 OF THIS DRAFT LETTER OF OFFER.

**Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.*

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
On one or more subsequent Call(s) as determined by our Board / Fund Raising Committee at its sole discretion, from time to time	[●]	[●]	[●]
Total	10.00	[●]	[●]

**For further details on Payment Schedule, see "Terms of the Issue" on page 91.*

WILFUL DEFAULTERS OR FRAUDULENT BORROWER

NEITHER OUR COMPANY NOR OUR PROMOTERS OR ANY OF OUR DIRECTORS ARE CATEGORISED AS A WILFUL DEFAULTER OR FRAUDULENT BORROWER BY RBI OR ANY OTHER GOVERNMENTAL AUTHORITY

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking any investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. **Specific attention of the Investors is invited to statement of "Risk Factors" given on page 27 of this Draft Letter of Offer.**

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regards to the Company and the Issue, which is material in the context of this Issue and 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 such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("BSE" or "Stock Exchange"). Our Company has received an "in-principle" approval from BSE for listing of the Rights Equity Shares to be allotted pursuant to this Issue *vide* letter dated [●]. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular (as defined hereinafter). BSE shall be the Designated Stock Exchange for the purpose of this Issue.

REGISTRAR TO THE ISSUE

	MUFG Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (west), Mumbai – 400 083, Maharashtra, India. Telephone: +91 8108114949 Email: acesoftware.rights2025@in.mpms.mufg.com Website: www.mpms.mufg.com Investor grievance email: acesoftware.rights2025@in.mpms.mufg.com Contact person: Ms. Shanti Gopalkrishnan Sebi Reg. No.: INR000004058 CIN: U67190MH1999PTC118368
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ISSUE SCHEDULE

Last date for credit of Rights Entitlements	[●]	Finalisation of Basis of Allotment	[●]
Issue Opening Date	[●]	Date of Allotment	[●]
Last date for On Market Renunciation of Rights Entitlements*	[●]	Date of credit of Rights Equity Shares	[●]
Issue Closing Date**	[●]	Date of Listing	[●]

**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 Renouncee(s) 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, 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.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Unless the context otherwise requires, the terms defined, and abbreviations expanded below shall have the same meaning as stated in this chapter. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto. 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 Ace Software Exports Limited as the context requires, and references to ‘you’ are to the Eligible Equity Shareholders in this Rights Issue of Equity Shares.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the chapters titled “Statement of Special Tax Benefits” “Financial Information” and “Terms of the Issue” on pages 68, 79 and 91 respectively, shall have the meaning assigned to the terms in the respective chapters.

Conventional or General Terms

Terms	Description
“Ace Software Exports Limited” or “the Company” or “our Company” or “the Issuer” or “ACE”	Ace Software Exports Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 801 Everest Commercial Complex, Opp. Shastri Maidan, Rajkot, Gujarat, India, 360001.
“We” or “Us” or “Our”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, our Company together with our Subsidiaries.

Company Related Terms

Terms	Description
Articles/Articles of Association/ AoA	The Articles of Association of our Company as amended from time to time.
Audit Committee	The committee of our Board of Directors duly constituted as the audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 177 of the Companies Act, 2013.
Audited Financial Statements/ Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company for the financial year ended March 31, 2025 which comprises of the consolidated balance sheet as at March 31, 2025, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity for the year ended March 31, 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. For details, see “Financial Information” on page 79 of this Draft Letter of Offer.

Terms	Description
Auditors / Statutory Auditors	The Statutory Auditors of our Company being J.A. Sheth & Associates, Chartered Accountants having their office at 507, Aalap – A, Limda Chowk, Subhash Road, Rajkot - 360 001, Gujarat.
Board / Board of Directors/	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
“Chief Executive Officer” or “CEO” or “Managing Director” or “MD”	The chief executive officer and Managing Director of our Company being Amit Mansukhlal Mehta.
“Chief Financial Officer” or “CFO”	The chief financial officer of our Company, Jyotin Bhadrakant Vasavada.
Company Secretary and Compliance officer	Mansi Patel
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shareholders	Holders of Equity Share(s), from time to time
Equity Shares / Shares	Equity Shares of face value ₹10/- each of our Company.
Executive Director(s)	Whole-time Directors/ Executive Directors on our Board
Face Value	The nominal value of the Equity Share being ₹10/- per Equity Share.
Financial Statements	Audited Financial Statements and Unaudited Financial Results.
Fund Raising Committee	Our Board of Directors constituted a Fund-Raising committee pursuant to the board resolution dated June 05, 2024.
Independent Director	Independent Directors on the Board, who are eligible to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, please refer to <i>"Our Management and Organisation Structure"</i> beginning on page 75 this Draft Letter of Offer.
ISIN	International Securities Identification Number being INE849B01010.
Key Managerial Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations being Amit Mansukhlal Mehta, Managing Director & CEO, Vikram Bhupat Sanghani , Chairman Emeritus & Whole Time Director, Sanjay Harilal Dhamsania, Whole Time Director, Rahul Jayantibhai Kalaria, Whole Time Director, Jyotin Bhadrakant Vasavada, Chief Financial Officer and Mansi Patel, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.
Memorandum of Association / MOA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of our Board of Directors duly constituted as Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.
Non-Executive Director(s)	The non-executive Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI Listing Regulations.
Promoter(s)	The promoters of our Company being Vikram Bhupat Sanghani, Sanjay Harilal Dhamsania and Amit Mansukhlal Mehta.
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

Terms	Description
	as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.
Registered Office	Registered office of our Company situated at 801, Everest Commercial Complex, Opp Shastri Maidan, Rajkot - 360001, Gujarat, India.
Registrar of Companies / ROC	Registrar of Companies, Gujarat, located at ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013.
Rights Entitlements ISIN	ISIN number [●], allocated specifically for the Rights Entitlement during the Issue.
Senior Management Personnel	Senior management personnel of our Company determined in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as described in " <i>Our Management and Organisation Structure</i> " beginning on page 75 of this Draft Letter of Offer.
Subsidiaries	Ace Infoway Private Limited, QeMFG Private Limited (<i>formerly AQE Techtools Private Limited</i>), Ace Infoworld Private Limited, QeCAD Studio Private Limited, QeNomy Digital LLP and QeDigital Gulf Software Services FZCO.
Unaudited Consolidated Financial Results / Unaudited Financial Results	The unaudited consolidated financial results of our Company for the three months period ended June 30, 2025, including the notes thereto and the report thereon, prepared in accordance with the Companies Act, 2013 and SEBI Listing Regulations. For details, see "Financial Information" on page 79 of this Draft Letter of Offer.
Wholly Owned Subsidiaries	Ace Infoway Private Limited, QeMFG Private Limited (<i>formerly AQE Techtools Private Limited</i>), QeCAD Studio Private Limited, QeNomy Digital LLP and QeDigital Gulf Software Services FZCO.

Issue Related Terms

Term	Description
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted /Allotment of Rights Equity Shares	The Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account opened with the Banker(s) to the Issue, into which 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, 2013.
Allotment Account Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Account(s) will be opened, in this case being, ICICI Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of allotment has been approved by the BSE.
Allotment Date / Date of Allotment	The date on which Allotment is made pursuant to the Issue.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are Allotted pursuant to this Issue.

Term	Description
Applicant(s) /Investor(s)	Eligible Equity Shareholder(s) and / or Renounce(s) and / or Specific investors who are entitled to make an application for the Rights Equity Shares issued pursuant to the Issue in terms of this Draft Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online /electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form / Common Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application 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 the Rights 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 / ASBA	The application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in an ASBA account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the Application Form or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper application.
ASBA Applicants / ASBA Investors	Applicants / Investors who make Application in this Issue using the ASBA Process
Banker to our Company	The Bankers to our company being ICICI Bank Limited.
Banker to the Issue Agreement	Agreement dated September 26, 2025 entered into by and amongst our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicant/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Bankers to the Issue / Escrow Collection Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” on page 91 of this Draft Letter of Offer.
Client ID	The unique identification number assigned to a demat account by the Depository Participant.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and/or such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, name of the Investor’s father/husband, investor status, PAN, DP ID, Client ID, occupation and bank account details, where applicable.
Depository	NSDL and CDSL or any other depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 1996.

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the Application Form submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited
Draft Letter of Offer / DLOF	This draft letter of offer dated September 26, 2025 filed with the Stock Exchange prepared in accordance with SEBI ICDR Regulations.
Eligible Equity Shareholders / Eligible Shareholders/	Equity Shareholders as on the Record Date i.e., [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders, including any shareholder located in the United States. For further details, see "Notice to Investors" on page 15 of this Draft Letter of Offer.
Entitlement Letter/ Rights Entitlement Letter	A letter to be dispatched by the Registrar to all Eligible Equity Shareholders as on the Record Date which will contain details of their Rights Entitlements based on their shareholdings as on the Record Date i.e., [●]. The Rights Entitlements are also accessible on the website of our Company and Registrar.
Equity Shareholder(s) / Shareholder(s)	The holders of Equity Shares of our Company.
Equity Share(s)	Equity shares of the Company of Face Value of ₹10/- each unless otherwise specified in the context thereof
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors.
"Escrow Collection Bank", "Allotment Account Bank(s)" or "Refund Bank(s)"	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, ICICI Bank Limited.
Fractional Entitlement	Refers to the situation where shareholders are not entitled to a whole number of shares in a rights issue.
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
Issue / the Issue / this Issue / Rights Issue	Issue of up to [●] Rights Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹ [●]/- per Rights Equity Share (including a share premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 7,021.25 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date i.e. [●], [●], 2025. (*Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.)
Issue Closing Date	[●]
Issue Material(s)	Collectively, Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue.
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 application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Rights Equity Share (including a share premium of ₹[●] per Rights Equity Share).

Term	Description
	On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes [●]% of the Issue Price and the balance ₹[●]/- per Rights Equity Share which constitutes [●]% of the Issue Price, must be paid, on one or more subsequent Call(s) as determined by our Board / Fund Raising Committee at its sole discretion, from time to time.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹ 7,021.25 Lakhs*. (*Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.)
Letter of Offer / LOF	The final letter of offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations.
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	The Issue Proceeds less the Issue related expenses. For further details, please see to the chapter titled “Objects of the Issue” beginning on page 56.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act, 2013.
Non-Institutional Bidders / 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 ICDR Master Circular 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 over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI ICDR Master Circular and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●].
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares to be decided prior to filing of the Letter of Offer being [●].
Refund Bank	The Banker to the Issue with whom the Refund Account will be opened, in this case being ICICI Bank Limited.
Registrar Agreement	Agreement dated September 26, 2025, entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar / Registrar to the Issue / Registrar and Share Transfer Agent to the Issue / RTA to the Issue	MUFG Intime India Private Limited
Registrar to the Company / Registrar and Share Transfer	Accurate Securities and Registry Private Limited

Term	Description
Agent/ RTA	
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI ICDR Master Circular, the Companies Act and any other applicable law as amended from time to time.
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 Renouncee on or prior to the Issue Closing Date i.e., [●].
Retail Individual Bidders(s) / Retail Individual Investor(s) /RII(s) / RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlements / REs	Number of the Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of the Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements shall be credited in dematerialised form with a separate ISIN to the respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date, against the Equity Shares held by them as on the Record Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company.
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on fully paid-up basis on Allotment.
Self-Certified Syndicate Bank / SCSBs	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 , updated from time to time or at or such other website(s) as maybe prescribed by SEBI from time to time.
Specific Investors	Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations
Stock Exchange	BSE Limited, where the Equity Shares of our Company are presently listed.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.

Term	Description
Wilful Defaulter / Fraudulent Borrower	An entity or person categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations and in accordance with the master circular on wilful defaulters issued by RBI.
Working Days	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, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai and Thrissur are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Business related Terms

Term	Description
AI	Artificial Intelligence
Architectural CAD	Architectural Computer Aided Design
BIM	Building Information Modeling
CRM	Customer Relationship Management
GCC	Global Capability Centre
ERP	Enterprise Resource Planning
GCC	Gulf Cooperation Council
ML	Machine Learning

Conventional Terms and Abbreviations

Term	Description
“₹” / “Rs.” / “Rupees” / “INR”	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor’s Report) Order, 2016
CCIT	Chief Commissioner of Income Tax
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Companies Act / Companies Act, 2013	Companies Act, 2013 and the rules made thereunder, as amended from time to time

Term	Description
CRAR	Capital adequacy ratio/ Capital to risk assets ratio
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 1996 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings per Share
FBIL	Financial Benchmarks India Private Limited
FCNR Account / FCNR	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA Act / FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.
FEMA NDI Rules	Foreign Exchange Management (Non-Debt Instruments) Rules, 2019
Fiscal /Fiscal Year/ Financial Year/FY	12-month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations
GCP	General Corporate Purpose
GIR	General Index Registrar
Government/GoI	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financing Reporting Standards
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
ISRO	Indian Space Research Organisation
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India

Term	Description
MICR	Magnetic Ink Character Recognition
N.A.	Not Applicable
NACH	National Automated Clearing House is a consolidated system of ECS.
NAV	Net Asset Value calculated as Net Worth is divided by number of fully paid-up Equity Shares.
NBFC	Non-banking financial companies
NCLAT	National Company Law Appellate Tribunal
NCLT	National Company Law Tribunal
NEFT	National Electronic Fund Transfer
NI Act	Negotiable Instruments Act, 1881
NR	Non-Resident
NRE	Non-Resident External Account
NRI	Non-Resident Indian
NSDL	National Securities Depositories Limited
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
p.a.	Per Annum
PAN	Permanent Account Number
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Master Direction	Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended from time to time.
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
SEBI ICDR Master Circular	SEBI circular bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI ICDR Regulations / ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Term	Description
SEBI Rights Issue Circular	SEBI circular bearing reference number SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/31 dated March 11, 2025.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time
SEBI SAST Regulations/ Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
Total Borrowing	Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities.
U.S/United States	The United States of America
UPI	Unified Payments Interface
US GAAP	United States Generally Accepted Accounting Principles
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

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NOTICE TO INVESTORS

The distribution of the Issue Materials to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions. For details, refer to “*Restrictions of Foreign Ownership of Indian Securities*” on page 126 of the Draft Letter of Offer.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email or physical dispatch through registered post /speed post Issue Materials only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, 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 Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. 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 dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access the Issue Materials from the websites of the Stock Exchange, Registrar and our Company.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly and Issue Materials or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with 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, in those circumstances, Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Materials 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 Equity Shares or the Rights Entitlements referred to in the Issue Materials.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in “*Other Regulatory and Statutory Disclosure*” on page 84. Our Company, the Registrar, or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of the 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 the date of such information

or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the Issue Material.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE ISSUE OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE ISSUE OF RIGHTS EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATE

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (“UNITED STATES”), EXCEPT IN A TRANSACTION NOT SUBJECT TO, OR EXEMPT FROM, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT. THERE IS NO INTENTION TO REGISTER ANY PORTION OF THE ISSUE OR ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES OR TO CONDUCT A PUBLIC OFFERING OF SECURITIES IN THE UNITED STATES. ACCORDINGLY, THE ISSUE MATERIALS SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME. IN ADDITION, UNTIL THE EXPIRY OF 40 DAYS AFTER THE COMMENCEMENT OF THE ISSUE, AN OFFER OR SALE OF RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES WITHIN THE UNITED STATES BY A DEALER (WHETHER OR NOT IT IS PARTICIPATING IN THE ISSUE) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

- (i) Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf 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 Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Issue Materials will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United State; (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (iii) it does not have a registered address (and is not otherwise located) in the United States; (iv) our Company believes that Application Form (CAF) is incomplete or acceptance of such Application Form (CAF)

may infringe applicable legal or regulatory requirements; and (v) 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, the Registrar or any other person acting on behalf of us reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorized to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) 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 Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

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

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

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR TO THE ISSUE. THIS DOCUMENT IS NOT TO BE REPRODUCED OR REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

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

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year. A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from our Audited Financial Statements of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 and Unaudited Financial Results of our company for the quarter ended June 30, 2025. For details, please refer to “*Financial Information*” on page 79 of this Draft Letter of Offer. Our Company’s financial year commences on April 01 and ends on March 31 of the next calendar year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Ind AS, which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“IFRS”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “Ind AS Rules”). The Financial Statements of our Company have been prepared in accordance with Ind AS and recognition and measurement principles laid down in Ind AS 34 prescribed under the Section 133 of the Companies Act 2013 and Regulation 33 of SEBI Listing Regulations.

The Audited Financial Statements for the financial years ended March 31, 2025; 2024 and 2023 and Unaudited Financial Results for the quarter ended June 30, 2025 of our Company have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised) 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

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. Our Company has presented all numerical information in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has also not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see "Financial Information" on page 79 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- "Rupees", "₹", "INR", "Rs." and "Indian Rupees" are to Indian Rupee, the official currency of the Republic of India; and
- 'US\$', 'USD', '\$' and 'U.S. dollars' are to the legal currency of the United States of America.

Our Company has presented certain numerical information in this Draft Letter of Offer in "lakh" or "Lac" units. One lakh represents 1,00,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Exchange Rate

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Currency	As on June 30, 2025 ⁽¹⁾	As on March 31, 2025 ⁽¹⁾	As on March 31, 2024 ⁽¹⁾	As on March 31, 2023 ⁽¹⁾
1 United States Dollar	85.54	85.58	83.37	82.22

Source: www.fbi.org.in and www.rbi.org.in.

⁽¹⁾ In the event that any of the abovementioned dates of any of the respective financial year or periods is a public holiday, the previous Working Day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy, adequacy, completeness, reliability or underlying assumptions are not guaranteed. Similarly, internal surveys, industry forecasts, market research and industry and market data used in this Draft Letter of Offer, while believed to be reliable, have not been independently verified by our Company and our Company did not make any representation as to the accuracy of such information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 27, of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute ‘forward-looking statements’. Investors can generally identify forward-looking statements by terminology such as ‘aim’, ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘expected to’, ‘intend’, ‘is likely’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘would’, or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

All statements regarding our Company’s expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

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:

1. Any adverse development in the IT Industry.
2. Any significant reduction in demand for the services of our Company.
3. Any failure by us to identify, manage, complete and integrate acquisitions and other significant transactions successfully.
4. Fluctuations in foreign currency exchange rates which may harm our results of operations.
5. Our ability to maintain relationships with our clients.
6. The outcome of any legal or regulatory proceedings we are or may become a party to.
7. General, political, economic, social and business conditions in India and other global markets.
8. Dependence on a number of key management personnel and our ability to attract and retain skilled and qualified personnel.

9. As our Company's Securities are listed on BSE, we must comply with specific requirements and reporting obligations under SEBI's Listing Regulations. Failure to comply or delays in doing so may result in legal action and/or fines.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled "Risk Factors" beginning on page 27 of this Draft letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, nor our Promoters 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 requirements, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of listing and trading permission from the Stock Exchange.

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SECTION II – SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the sections, “Risk Factors”, “Objects of the Issue”, “Capital Structure”, “Government and Other Statutory Approvals” and “Other Regulatory and Statutory Disclosures” Beginning on pages 27, 52, 83 and 84 of this Draft Letter of Offer, respectively.

1. Summary of the Business

Our Company was originally incorporated as ‘**Ace Software Exports Limited**’ as a public limited company at Rajkot, Gujarat under the Companies Act, 1956 and was granted the certificate of incorporation on August 17, 1994. Thereafter, our Company was granted the certificate of commencement of business dated September 23, 1994. There has been no change in the name of the Company since its incorporation. The Equity Shares of our Company are listed on BSE Limited with scrip symbol ACESOFT and scrip code 531525. The ISIN of our Company’s Equity Share is INE849B01010.

Our Company is primarily engaged in the business of document management, digital publishing, data conversion solutions and software and technology consulting employing efficient process engineering and adaptable conversion systems catering to clients at U.S. and Australia. Further, our Company, through its Subsidiaries is also engaged in the business of product engineering, digital transformation, integrations, data analytics, machine learning, web/mobile application development, website development, platform migrations, ecommerce development, cloud development, software development, digital marketing, architectural CAD, Building Information Modeling (BIM), 3D modelling services, technology consulting, offering digital transformation, enterprise solutions, SaaS-based solutions and allied IT services to global clients.

2. Object of the Issue

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

(₹ in lakhs)		
Sr. No.	Particulars	Estimated Amount
1	Investment in QeMFG Private limited (formerly AQE Techtools Private Limited) by way of subscription of equity shares;	1,000.00
2	Investment in strategic initiatives towards global market expansion and brand building;	1,000.00
3	Development, marketing and execution of robotic automation solutions under new brand, ‘QeMatic’;	800.00
4	Investment in Organizational Transformation Program to elevate the Company from mid-market to an enterprise-grade professional technology organization;	600.00
5	Acquisition of equity shares of Theia Education Private Limited from its existing shareholders;	703.80
6	Additional investment in Theia Education Private Limited by way of subscription of equity shares;	552.00
7	Funding of General Corporate Purposes and unidentified acquisitions.	2,326.70
	Net Proceeds	6,982.50

** The amount to be utilized for general corporate purposes shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.*

For further details, please see the section titled “*Objects of the Issue*” on page 56 of this Draft Letter of Offer.

3. Intention and extent of participation by the Promoters and Promoter Group

Our Promoters and Promoter Group vide their letters dated September 26, 2025 have agreed that they may or may not:

- (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters, member(s) of the Promoter Group of our Company;
- (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue;
- (c) subscribe to, either individually or jointly and/ or severally with any other Shareholder for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue;

subject to the post issue aggregate shareholding of our Promoter and members of our Promoter Group not resulting in the minimum public shareholding of the issuer falling below the level prescribed under the Securities Contracts (Regulation) Rules, 1957 and the SEBI LODR Regulations, as amended from time to time.

Further, the Promoters and Promoter Group reserve the right to renounce their Rights Entitlement partly or to the full extent in the Issue including additional Rights Entitlement that may be renounced in the favour of any person, in accordance with applicable laws.

In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply. Pursuant to Regulation 86 of the SEBI ICDR Regulations, it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document. The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.

The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group 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. Any acquisition of Rights Equity Shares by the Promoter, over and above its Rights Entitlements, shall not result in a change in control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under Applicable Law.

For further details, please see the section titled “*Capital Structure*” beginning on page 52 of this Draft Letter of Offer.

4. Allotment of the under-subscribed portion of the issue to any specific investor(s)

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

5. Details of our Company, Promoter and Directors being Wilful Defaulters or a Fraudulent Borrower

Neither our Company, nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

6. Summary of outstanding litigations

As on the date of this Draft Letter of Offer, neither our Company nor our Promoter or Directors have been issued any show cause notice(s) by SEBI or the Adjudicating Officer in a proceeding for imposition of penalty, nor have any prosecution proceedings been initiated against them by SEBI.

Further, the equity shares of the company have never been suspended from trading as a disciplinary measure during the last three years immediately preceding the reference date, i.e., September 26, 2025.

A summary of outstanding legal proceeding along with the amounts involved, wherever quantifiable for the pending matter involving our Company as on the date of this Draft Letter of Offer is provided below:

Name of entity	Proceeding involving criminal liability on the part of our company	Proceedings involving material violations of the statutory regulations by our company	Proceedings initiated against our company for the Economic offences	Tax Proceedings	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Other civil litigation considered to be material by our Company's Board of Directors
Company						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

Sr. No.	Type of Proceedings	By the Company		Against the Company	
		Number of Cases	Amount involved (to the extent quantifiable)	Number of Cases	Amount involved (to the extent quantifiable)
1.	Proceeding involving criminal liability on the part of our company	Nil	Nil	Nil	Nil
2.	Proceedings involving material violations of the statutory regulations by our company.	Nil	Nil	Nil	Nil
3.	Proceedings initiated against our company for the Economic offences	Nil	Nil	Nil	Nil
4.	Tax Proceedings	Nil	Nil	Nil	Nil
5.	Civil proceedings where the amount involved is equivalent to or in excess of	Nil	Nil	Nil	Nil

	the Materiality Threshold				
6.	Other civil litigation considered to be material by our Company's Board of Directors	Nil	Nil	Nil	Nil

OTHER CONFIRMATION

Our Company has been in compliance with the equity listing agreement and the SEBI Listing Regulations, during the three years immediately preceding the date of this Draft Letter of Offer.

SECTION III – RISK FACTORS

An investment in the equity shares involves a high degree of risk. You should carefully consider all information in this Draft Letter of Offer, including the risks and uncertainties described below and “Financial Statements” on page 79 of this Draft Letter of Offer, before making an investment in the Equity Shares. Additionally, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future which may impair our business, cashflows, prospects, result of operations and financial condition. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline and investors may lose all or part of their investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the consequences to you of an investment in this Issue.

This Draft Letter of Offer also contains forward-looking statements which involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. For further details, please see the chapter titled “*Forward-Looking Statements*” beginning on page 21.

Our financial year ends on March 31 of each year, so all references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Audited Financial Statements and Unaudited Financial Results, which are included in “*Financial Information*” on page 79 of this Draft Letter of Offer.

Unless the context otherwise requires, in this section, reference to “we”, “us”, “our” refers to our Company.

INTERNAL RISK FACTORS

- 1. Our revenues from operations are highly dependent on customers located in the United States. Worsening economic conditions or factors that negatively affect the economic conditions of the United States could materially adversely affect our business, cash flows, financial condition and results of operations.**

Based on Consolidated Financial Statements for the financial years ended March 31, 2025, 2024 and 2023 revenue from operations from our external customers located in the United States are as given below:

(Amount in ₹ Lakhs)

	FY2025		FY2024		FY2023	
	Amount	% ²	Amount	% ²	Amount	% ²
ACE	830.89	71.89%	762.29	92.87%	749.66	91.41%
AIPL	1030.84	73.43%	1,528.92	98.55%	1,773.97	91.87%
QeNomy	1102.27	81.09%	1,200.40	90.34%	768.12	91.21%
QeCAD ¹	372.66	86.27%	244.68	82.74%	N.A.	N.A.

¹QeCAD is incorporated in FY 2023-24.

²% of Total Revenue from operations

Existing and potential competitors to our businesses may increase their focus on the United States markets, which could reduce our market share. The concentration of our revenues from operations in the United States heightens our exposure to adverse developments related to competition, as well as economic, political, regulatory and other changes. United States political campaigns and any related transitions may also bring a degree of political and social uncertainty which may cause capital flows and domestic investment to become more volatile. Any adverse development that affects the overall economy of the United States or sectors or industries in which our competitors operate, could have a material adverse effect on our business, cash flows, financial condition and results of operations.

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

We have derived and believe that in the foreseeable future, we will continue to derive a significant portion of our revenues from a small number of customers which may not be the same every year. Followings are the details of income derived from the top 5 customers of the respective entities:

(Amount in ₹ Lakhs)

	FY2025		FY2024		FY2023	
	Amount	% ²	Amount	% ²	Amount	% ²
ACE	1024.03	88.66%	815.07	99.31%	817.57	99.69%
AIPL	1285.21	91.55%	1,474.78	95.06%	1,561.44	80.87%
QeNomy	1315.31	96.76%	1,290.79	97.14%	804.95	95.59%
QeCAD¹	421.90	97.67%	292.34	98.86%	N.A.	N.A.

¹QeCAD is incorporated in FY 2023-24.

²% of Total Revenue from operations

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

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

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

3. **Our registered office is being utilised by us based on a consent letter given by the partnership firm and there is no definitive agreement executed by us for use of premises as our registered office. If our Company is required to vacate such premises, our business, financial condition and results of operations may be adversely affected.**

Our Company is occupying registered office in Rajkot on the basis of a consent letter given by Ace Software Exports, a partnership firm, for an indefinite term. Vikram Bhupat Sanghani and Sanjay Harilal Dhamsania, Promoters and Whole Time Directors of our Company, are the partners of Ace Software Exports. In the event that, our Company is required to vacate our existing premises, we would be required to make alternative arrangements and we cannot assure that we will be able to identify and move to new premises within a reasonable period of time and/ or that new arrangements will be on commercially acceptable terms.

4. **Certain properties from which we operate are not owned by us and we have only leasehold rights and adequate registration fees have not been paid for some of the lease agreements. If we are unable to renew our current leases or if we renew them on terms which are detrimental to us, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition.**

We have entered into a lease-agreements for our few offices. Further, there is no guarantee that these leases/ licenses will be renewed or extended once their terms are complete. Further, the registration fees for certain properties leased by us have not been paid. This issue could lead to potential legal complications, financial penalties, or challenges in enforcing lease agreements, which may adversely affect the Company's operational stability and financial performance. If we are unable to renew or extend our current leases/ licenses, or if we renew or extend them on terms which are detrimental to us, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business, results of operations, cash flows and financial condition. Additionally, this could impact the Company's ability to fully utilize or retain these properties. While the Company is taking steps to address and rectify these issues, there can be no assurance that these measures will fully mitigate any potential risks or financial impacts.

5. **Our Company's logo is not registered as of the date of DLOF. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging a breach of third-party intellectual property rights.**

As on date of DLOF, we have not registered our logo under  the Trademarks Act, 1999, hence, we do not enjoy the statutory protections accorded to a registered logo. We cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Apart from a logo, we have also not registered our brand names under which we provide various services. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time-consuming and costly and the outcome cannot be guaranteed. For further details of our logo.

6. Our Company has experienced negative cash flow in prior years.

Our Company has experienced negative cash flows from operations in the recent past. Our consolidated cash flow for the Fiscals 2025, 2024 and 2023 are set forth in the table below:

(₹ in lakhs)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cash Flow from Operating Activities	(979.48)	(332.21)	(77.50)
Cash Flow from Investing Activities	(1,518.01)	(459.16)	282.67
Cash Flow from Financing Activities	5,015.26	1,267.63	(228.96)
Net increase/decrease in cash and cash equivalents	2,517.77	476.26	(23.79)

7. Our promoters and directors operate in the similar line of business as our Company which may lead to a potential conflict of interest.

A potential conflict of interest may arise as certain of our Promoters and Directors are also associated as Promoters/Directors with other companies engaged in a similar line of business as ours, including QeApps Private Limited and Pubtech Solutions LLP. This situation could lead to divided loyalties and competing interests, where decisions made by our promoters and directors may prioritize their personal ventures over the interests of the Company. They may divert business opportunities, customers, or key resources away from our Company to benefit their personal endeavors. Such actions could result in a loss of business opportunities, market share, or revenue for our Company. Moreover, conflicts of interest may also impair the objectivity of strategic decisions and governance processes, leading to potential legal or reputational risks. Investors should be aware of the inherent challenges and potential impact on our business operations and financial performance. Management remains committed to monitoring and addressing any conflicts to safeguard the interests of our shareholders and stakeholders.

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

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

If any of our senior executives or key personnels joins a competitor or forms a competing company, we may lose customers, suppliers, know-how and key professionals and staff members to them which may materially adversely affect our business, cash flows, financial condition and results of operations. Also, if any of our business development managers, who generally keep a close relationship with our customers, join a competitor or form a competing company, we may lose customers and our revenues may be materially adversely affected. Additionally, there could be unauthorised disclosure or use of our technical knowledge, practices or procedures by such personnels. If any dispute arises between our senior executives or key personnels and us, any non-competition,

non-solicitation and non-disclosure provisions in our employment agreements we have with our senior executives or key personnels might not provide effective protection to us.

9. If we fail to attract and retain highly skilled IT professionals, we may not have the adequate human resources to complete the projects in a timely manner and failure to attract and retain such IT professionals could materially or adversely affect our business, cash flows, financial condition and results of operations.

Our success depends largely on the contributions of our IT professionals and our ability to attract and retain qualified IT professionals.

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

Companies engaged in the technology industry are required to provide a greater deal of employee satisfaction and morale by providing professional incentives and enabling digital maturity through collaborative support from the workforce. Further, the Indian IT industry has been grappling with an all-time high attrition rate in recent months. Further, there is a limited pool of individuals who have the skills and training needed to help us grow our Company, including a shortage of employees skilled in emerging technologies. We compete for such talented individuals not only with other companies in our industry but also with companies in other industries, such as software services, engineering services, financial services and technology generally, among others. High attrition rates of IT professionals would increase our hiring, reskilling, upskilling and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet customer objectives and expand our business.

10. We do not have long-term commitments with our customers and our customers may terminate contracts before completion, negotiate adverse terms of the contract or choose not to renew contracts, which could materially adversely affect our business, cash flows, financial condition and results of operations.

A substantial portion of our revenues is generated from repeat business. Our engagements with our customers are typically for projects that are singular in nature. Even if we successfully deliver contracted services and maintain close relationships with our customers, several factors outside of our control could cause the loss of or reduction in business or revenue from our existing customers. These factors include, among other things:

- the business or financial condition of that customer or the economy;
- changes in the personnel at our customers who are responsible for procurement of information technology or IT services or with whom we primarily interact;
- a demand for price reductions by that customer;
- mergers, acquisitions or significant corporate restructurings involving that customer;
- a decision by that customer to move work in-house or to one or several of our competitors.

11. We operate in a rapidly evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to be successful. If we are not successful, it could materially adversely affect our business, reputation and cash flows.

The technology services industry is competitive and continuously evolving, subject to rapidly changing demands and constant technological developments. As a result, success and performance metrics are difficult to predict and measure in our industry. As the services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model and its results of operations, it can be difficult to predict how services of companies, including our Company, will be accepted in the market. We may also encounter unforeseen obstacles during the development, implementation and commercialization of these technologies, which could have a material adverse effect on our business, cash flows, financial condition and results of operations.

Further, given that the technology services industry is subject to rapidly changing demands and constant technological developments, our failure to promptly upgrade our technology may result in disruptions to or lower the quality of our services and our business, results of operations, cash flows and financial condition may be materially and adversely affected.

12. Our business, cash flows, results of operations and financial condition could be negatively affected if we incur legal liability, including with respect to our indemnification obligations, in connection with providing our solutions and services.

If we fail to meet our contractual obligations or otherwise breach obligations to our customers, we could be subject to legal liability. We may enter into non-standard agreements because we perceive an important economic opportunity or because our personnel did not adequately adhere to our guidelines. In addition, the contracting practices of our competitors may cause contract terms and conditions that are unfavourable to us to become standard in the marketplace. If we cannot or do not fulfill our obligations, we could face legal liability and our contracts might not always protect us adequately through limitations on the scope and/or amount of our potential liability. If we cannot, or do not, meet our contractual obligations to provide solutions and services and if our exposure is not adequately limited through the terms of our agreements, we might face significant legal liability and our business could be materially adversely affected.

13. Our international operations and revenue from operations on export services are subject to many uncertainties and we are exposed to foreign currency exchange rate fluctuations.

We may be subject to risks inherently associated with international operations, including risks associated with foreign currency exchange rate fluctuations, which may cause volatility in our reported income and risks associated with the application and imposition of protective legislation and regulations relating to import or export or otherwise resulting from foreign policy or the variability of foreign economic conditions.

We transact business in various currencies other than the Indian rupee and have significant customers abroad, which subject us to currency exchange risks. Any fluctuations in foreign currency exchange rates may have an asymmetric impact on our profits, results of operations and cash flows and consequently on our business condition and profitability. As of March 31, 2025, the foreign currency exposure of our Company was USD 986326.65, AUD 160322 and GBP 2227.20.

14. Promoters of our Company might renounce their Rights Entitlement to the public, which may have an impact on the shareholding pattern of our Company.

Our Promoters may, at their discretion, subscribe to their Rights Entitlement in full, partially, or renounce the same, in full or in part, in favour of other shareholders or third-party investors. In the event of such renunciation, the Promoters' shareholding in the Company could be diluted and the shareholding pattern of the Company may undergo a change, with a corresponding increase in public shareholding or the holding of other investors.

While the Company does not presently anticipate any material impact on its governance or management structure owing to such a change, we cannot assure you that a reduction in Promoter shareholding will not affect their ability to exercise influence over strategic decision-making, voting patterns, or the overall perception of their commitment to the Company. Further, any significant reduction in Promoter shareholding may be perceived negatively by the market and could adversely affect investor sentiment as well as the market price of our Equity Shares. Accordingly, investors should note that the extent of Promoters' participation in the Rights Issue, or their decision to renounce their entitlement, is beyond the control of the Company and could materially affect the shareholding pattern and Promoters' level of influence post completion of the Issue. For further details refer to *"Intention and extent of participation by the Promoters and Promoter Group"* on page 24 and *"Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)"* on page 100 of the Draft Letter of offer.

15. Increase in employee benefits expenses for our IT professionals could prevent us from sustaining our competitive advantage.

Employee benefit expenses for IT professionals in India are generally lower than comparable employee benefit expenses in more developed countries. However, employee benefit expenses in the Indian IT services industry may increase faster than in the past, which may make us less competitive unless we can increase the efficiency and productivity of our IT professionals and the prices we can charge for our services. Increases in employee benefit expenses may reduce our profitability. Further, there can be no assurance that the GoI will not impose wage regulations on IT professionals. In addition, the issuance of equity-based compensation to our IT professionals would also result in additional dilution to our shareholders.

16. Our Company is required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, an accelerated repayment schedule and suspension of further drawdowns, which may adversely affect our business, cash flows, results of operations and financial conditions

Some of the financing arrangements entered into by our Company include conditions that restrict us to carry out certain activities and entering into certain transactions. Failure to meet these conditions could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such a loan and the conditions negotiated under each financing agreement.

While all necessary conditions for the Issue have been fulfilled, a failure to observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities and suspension of further access/ withdrawals, either in whole or in part, for the use of the facility.

17. Our Company has in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest.

Our Company has entered into various transactions with related parties. In Fiscal 2025, 2024 and 2023, the arithmetic aggregate absolute total of such related party transactions was ₹3,609.675 lakhs, ₹1,723.13 lakhs and ₹124.78 lakhs, respectively. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. While all related party transactions that we enter into are subject to board or shareholder approval, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such future transactions, individually or in the aggregate, will not have an adverse effect on our financial condition, cash flows and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Accordingly, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows.

18. Our Promoters, certain Subsidiaries and Ace Software Exports (Partnership Firm) have provided personal guarantees to all loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or terminations of the facilities.

Our Promoters namely Vikram Bhupat Sanghani, Sanjay Harilal Dhamsania, Amit Mansukhlal Mehta and Promoter Group namely Rahul Jayantilal Kalaria, Vaishali Amit Mehta along with Ace Infoworld Private Limited and Ace Software Exports (Partnership Firm) have provided personal and corporate guarantees, respectively, in relation to all loan facilities availed by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactorily to the lenders and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition

19. Our insurance coverage may not be adequate to protect us against certain operating and financial losses and this may have a material adverse effect on our business and cash flow.

Our Company has obtained insurance coverage in respect of certain risks which consists of physical loss or damage or destruction of some of our office premises. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

If we suffer a large uninsured loss, or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition, cash flows and results of operations may be adversely affected.

In addition, our insurance coverage is generally subject to periodic renewal. In the event that premium levels increase, we may not be able to obtain the same levels of coverage in the future as we currently have, or we may only be able to obtain such coverage at substantially higher cost. Alternatively, we may choose not to insure,

which, in the event of any damage or destruction to our facilities or defects to our products, could adversely affect our business, financial condition, cash flows and results of operations.

20. Some of our corporate filings are not traceable. These corporate records may not be available in future and we may be subject to penalty imposed by the competent regulatory authority in this respect.

Our Company is unable to trace copies of certain corporate filings made in the past, particularly filings with the Registrar of Companies (RoC) with respect to the issuance of securities and buyback of shares prior to 2006. For details of the relevant documents relied upon, to trace the issuance of Securities and buyback of shares of our Company since incorporation, we have relied on the minutes of the meetings from those relevant years. Though our Company has made efforts to retrieve such records however, there is no certainty that these forms or records will be available in the future. Since copies of these regulatory filings are unavailable with us, Our Company cannot assure you that these regulatory filings were duly filed on a timely basis, or at all.

21. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.

Our Company propose to utilise the Net Proceeds for the purposes described in “Objects of the Issue” on page 56. The funding requirements are based on internal management estimates and current conditions which are subject to changes due to external circumstances, other financial conditions or business strategies. Our proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or any other independent agency and is based on management estimates. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use Net Proceeds.

22. Our Promoter, Promoter Group, certain Directors and Key Management Personnel have interest in us other than reimbursement of expenses incurred and normal remuneration or benefits.

Our Promoters, member of the Promoter Group, Directors and Key Management Personnel may be deemed to be interested in our business other than reimbursement of expenses incurred or normal remuneration or benefits owing to their shareholding in our Company, any guarantees extended by them, or other transactions they may separately enter into with our Company. We cannot assure you that conflicts of interest will not arise owing to such interest in our Company, or that any conflict will be resolved in our shareholders’ best interests.

For further details, see “Capital Structure” and “Financial Information” on pages 52 and 79, respectively, of this Draft Letter of Offer.

23. Being in the IT Sector, most, if not all our business operations involve the use of cyber systems. This leaves us more susceptible to cybersecurity threats and any such attack may affect our business operations and cash flow.

The increasing frequency and sophistication of cyber threats pose significant risks to our business operations, client relationships and overall reputation. Our reliance on digital infrastructure and the storage of sensitive data makes us vulnerable to various cybersecurity threats, including but not limited to, malware attacks, phishing attempts and data breaches. A successful cyber incident could compromise the confidentiality, integrity, or availability of our systems and data, potentially resulting in financial losses, regulatory penalties and damage to our brand reputation. We have implemented robust cybersecurity measures, including advanced threat detection systems, encryption protocols and employee training programs, to mitigate these risks. However, the evolving nature of cyber threats requires continuous monitoring, proactive risk management and investment in

cybersecurity technologies and best practices to enhance our resilience against potential cyber-attacks and safeguard our stakeholders' interests.

24. 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 serious harm to our reputation. Although such instances have not happened in the past, 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.

25. Failure to meet quality standards and service-level requirements may result in cancellation of orders, exposure to damages and claims, and may adversely affect our business, financial condition, results of operations and reputation.

Our inability to consistently meet the quality, accuracy or service-level requirements specified by our customers for digital publishing, document management, data conversion and related technology services could expose us to contract cancellations or non-renewals, withholding of payments, liquidated damages, indemnity and warranty claims, regulatory penalties in the event of information-security breaches, and reputational harm.

During Financial Year 2024-25, approximately 99.44% of our revenues were derived from our top 10 customers who may impose contractual performance obligations. Any failure to meet such requirements may lead to material adverse financial and reputational consequences.

Although we maintain documented quality-assurance processes, workflow controls and escalation mechanisms, there can be no assurance that such risks will not materialise in the future. Any such occurrence could materially and adversely affect our business, financial condition and results of operations.

26. Our Company cannot assure payment of dividends on Equity Shares in the future.

Our Company does not have a formal dividend policy as on the date of this DLOF. Further, our Company has not declared dividends on the Equity Shares during the current Fiscal and the last three Fiscals. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future.

27. Trading in the Equity Shares of our Company is under additional surveillance measures, which may have an impact on pricing of our Equity Shares and volume of trade.

As on the date of DLOF, our Equity Shares have been shifted under additional surveillance measures – long term (ASM-LT) Stage I, pursuant to which our Shares shall trade under 'Trade for Trade' category with a price band of 20% on the BSE Limited. Further, we cannot assure whether such surveillance measures will be relaxed or be released at all, which may have a negative impact on volume of trade and price movement.

EXTERNAL RISK FACTORS

28. The volatile condition of Capital Markets in India may limit our potential to raise capital and may impact the interests of our existing shareholders

The success of our rights issue is contingent upon prevailing market conditions, which are inherently volatile and subject to rapid fluctuations. Market volatility can significantly impact the pricing and attractiveness of the shares offered during the rights issue. Fluctuations in stock market indices, investor sentiment, or broader economic uncertainties may lead to unpredictable changes in share prices, potentially affecting the subscription levels and overall proceeds generated from the rights issue. Moreover, heightened market volatility could deter potential investors, limiting our ability to raise capital as planned and potentially diluting existing shareholders' interests. It is essential for us to closely monitor market dynamics, communicate effectively with investors and adjust our capital raising strategies as necessary to navigate through periods of market instability and optimize shareholder value.

29. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.

Our Company is incorporated under the laws of India. Our Company's assets are located in India and our Company's Directors and Key Management Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the quantum of damages as excessive or inconsistent with Indian public policy.

30. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

31. Political, economic or other factors that are beyond our control may have adverse effects on 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 in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues and as such decrease our operating margins.

32. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.

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. In particular, 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.

33. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) 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 falls under any of the exceptions referred to above, then the prior approval of the RBI will be required for the transfer of shares. Additionally, shareholders who seek to convert the Indian 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. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or

exchange rates, where the Government of India experiences extreme difficulty in stabilizing the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure you that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

Our Company has taken approval from its members vide its resolution dated July 5, 2024, to increase the aggregate investment limit by Non-Resident Indian/ Overseas Citizen of India from 10% to 24% of the paid-up capital of the Company.

34. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

Our business and financial performance could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us and our general and microfinance businesses, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations.

The Government has recently introduced (a) the Code on Wages, 2019 ("Wages Code"); (b) the Code on Social Security, 2020 ("Social Security Code"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. Except for certain portions of the Wages Code, which have come into force pursuant to notification by Ministry of Labour and Employment, the rules for implementation under such codes are yet to be notified. Accordingly, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work arrangements (including online and digital platforms), such as 'gig workers' and 'platform workers' and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. The Social Security Code also provides that such schemes may, inter alia, be partly funded by contributions from online platforms. Further, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

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.

36. A third party could be prevented from acquiring control of us post the Issue, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that the interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our Shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

37. 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:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- 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.

RISK RELATING TO THE ISSUE AND OBJECTS OF THE ISSUE

38. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.

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 the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

Further, please note that our Company has opened a separate demat suspense escrow account (namely, “[●]”) (**“Demat Suspense Account”**) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (**“IEPF”**) authority; or (c) where the Equity Shares are lying in the unclaimed suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations); or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two Working Days prior to the Issue Closing Date, i.e., by [●], to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense 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. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlement may dilute and adverse impact the interest of certain Eligible Equity Shareholders. For details, please see “Terms of the Issue” on page 91.

39. The Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Rights Equity Shares until they provide details of their demat account and Rights Equity Shares are transferred to such demat account from the demat suspense account thereafter.

In accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar no later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar no later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018, issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further information, see “Terms of the Issue” on page 91.

40. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder’s approval

Our Company proposes to utilise the Net Proceeds for acquisitions and investments purposes. For further details of the proposed objects of the Issue, please refer chapter titled “Objects of the Issue” beginning on page 56 of this Draft Letter of Offer. In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure which cannot be determined with certainty as on the date of this Draft Letter of Offer. In terms of the SEBI ICDR Regulations and the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Draft Letter of Offer without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in this Draft Letter of Offer, we cannot assure that we will be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Letter of Offer, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

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

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

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure of completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the DEMAT account of the Renouncees 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 Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “Terms of the Issue” on page 91.

43. Our Company will not distribute the Letter of Offer and other Issue-related materials to overseas shareholders who have not provided an address in India for the service of documents.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The Equity Shareholders who have not provided an Indian address to our Company will not be eligible to participate in the Issue and accordingly, their shareholding as a percentage of the paid-up capital of our Company post Issue will stand reduced to the extent of non-participation.

Further, in the case that Eligible Equity Shareholders who have provided an Indian address and have also provided their valid e-mail address, this Letter of Offer will be sent only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules thereunder with respect to distribution of Issue Material in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdiction. While our Company has requested its shareholders to provide an address in India for the purposes of distribution of Issue Material, our Company cannot assure that the regulator would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject our Company to fines or penalties.

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

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

45. Investors will be subject to market risks until our Equity Shares credited to the investor’s demat account are listed and permitted to trade.

Investors can start trading the Rights Equity Shares Allotted to them only after they have been credited to an investor’s demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Rights Equity Shares to

the date when trading approval is granted for the same. Further, there can be no assurance that the Rights Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

46. 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 period, subjecting you to market risk for such period.

47. Any future issuance of Equity Shares by our Company or sales of our Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of our Equity Shares.

Any future issuance of Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further equity shares or that the shareholders will not dispose of, pledge, or otherwise encumber their equity shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

48. There is no public market for the Rights Equity Shares or Equity Shares outside India.

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India. In addition, the holders of the partly paid-up Rights Shares will not be able to trade in these Equity Shares till they are credited to the holders' account as fully paid-up, and thereafter there will also be no public market for the Rights Shares outside of India. We cannot assure you that the face value of the Rights Shares will correspond to the price at which the Rights Shares will trade subsequent to this Issue. This may also affect the liquidity of our Rights Shares and Equity Shares and restrict your ability to sell them.

49. The Rights Equity Shares may experience price and volume fluctuations.

The market price of the Rights Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchange may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Rights Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Rights Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

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

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

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

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, and the Articles of Association govern the corporate affairs of our Company. Indian legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. In accordance with the provisions of the Companies Act the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized in excess will be subject to long term capital gains tax in India at the specified rates in case STT was paid on the sale transaction. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("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 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is 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 a gain upon the sale of the Equity Shares.

53. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and 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 before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by the company. However, if the law of the jurisdiction the

investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorized by a resolution of our Board passed at its meeting held on September 26, 2025, pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable laws. The terms and conditions of the Issue including the Issue price, Record Date, Rights Entitlement Ratio, and other related matters have been approved by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue, and it should be read in conjunction with, and is qualified entirely by, the information set out in the section titled "Terms of the Issue" beginning on page 91 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	1,27,65,904 Equity Share
Rights Equity Shares proposed to be Issued	Up to [●] Rights Equity Shares
Equity Shares outstanding after the Issue (Assuming full subscription for and Allotment of the Rights Entitlements)	[●] Equity Shares
Rights Entitlements	[●] ([●]) Rights Equity Shares for every [●] ([●]) Equity Shares held on the Record Date i.e. [●], [●], 2025.
Fractional Entitlement	The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] ([●]) Rights Equity Share(s) for every [●] ([●]) Equity Share(s) held on the Record Date. Thus, fractional entitlements shall not arise in the Issue.
Record Date	[●], [●], 2025
Face value per Equity Share	₹10/- each
Issue Price per Rights Equity Share	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Size (Assuming full subscription for the Issue)	Up to ₹ 7,021.25 Lakhs
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company.
Scrip details	ISIN: INE849B01010 BSE: 531525 ISIN of Rights Entitlements: [●]
Terms of the Issue	For more information, please see the section titled “ <i>Terms of the Issue</i> ” beginning on page 91.
Use of Issue Proceeds	For more information, please see the section titled “ <i>Objects of the Issue</i> ” beginning on page 56.
Terms of Payment	The full amount of the Issue Price being ₹ [●] will be payable on application.

GENERAL INFORMATION

Our Company was incorporated, as Ace Software Exports Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Gujarat, Dadra & Nagar Haveli dated on August 17, 1994. The Corporate Identification Number of our Company is L72200GJ1994PLC022781. There has been no change in the name of the Company in the last three years. The registered office of the Company is situated at 801, Everest Commercial Complex, Opp Shastri Maidan, Rajkot, Gujarat, India, 360001 Tel. No.: 0281-222 6097, Email id: investorinfo@acesoftex.com, website: www.acesoftex.com. The Equity Shares of the Company are presently listed on BSE with security symbol: ACESOFT and security code: 531525. The ISIN of the Equity Shares is INE849B01010.

REGISTERED OFFICE

Ace Software Exports Limited

801, Everest Commercial Complex, Opp Shastri Maidan,
Rajkot - 360001, Gujarat, India.

Telephone: 0281-222 6097

E-mail ID: investorinfo@acesoftex.com

Website: www.acesoftex.com

CIN: L72200GJ1994PLC022781

Registration Number: 022781

Our Company does not have a Corporate Office.

CHANGES IN REGISTERED OFFICE

Upon incorporation, the Registered Office of our Company was situated at 801, Everest Commercial Complex, Opp Shastri Maidan, Rajkot - 360001, Gujarat, India. Thereafter, our Company has not changed its Registered Office. However, the Board of Directors at their meeting held on September 05, 2025 approved shifting of Registered Office to 609 to 619, Solitaire Connect, Nr. Gallops Motors, Makarba, Ahmedabad – 380015 subject to approval of shareholders of the Company at the ensuing Annual General Meeting of the Company.

ADDRESS OF REGISTRAR OF COMPANIES

Our company is registered with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli situated at the following address:

Registrar of Companies, Gujarat and Dadar & Nagar Haveli

ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop,
Naranpura, Ahmedabad -380013, Gujarat, India.

Telephone: 079-27438531

Email ID: roc.ahmedabad@mca.gov.in

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	Age	Designation	Address	DIN
Amit Mansukhlal Mehta	50	Managing Director & CEO	833, Takshshila Society – 2, Near Phulchhab Press, Opp Star Plaza, Rajkot, Gujarat - 360001	00432898
Vikram Bhupat Sanghani	62	Chairman Emeritus & Whole Time Director	Street No.-7, Dr. Yagnik Road, Jagnath Plot, Rajkot, Gujarat - 360001	00183818
Sanjay Harilal Dhamsania	63	Whole Time Director	801, Ravi Haven, Ketan Park, Avadh Road, Off Kalavad Road, Rajkot, Gujarat - 360005	00013892
Rahul Jayantibhai Kalaria	56	Whole Time Director	A 901, Kings Heights, Vidya Kunj Society Main Road, Amin Marg, Rajkot, Gujarat – 360001	00432774
Divyeshkumar Babulal Aghera	55	Independent Director	502, Silver Star Apartment, Opp. Sharda Baug, Shroff Road, Rajkot, Gujarat - 360001	09308587
Sanjiv Pravinchandra Punjani	56	Independent Director	Jalaram Plot 01, University Road, Rajkot, Gujarat – 360007	00418869
Malini Mitesh Shah	53	Independent Director	22 – Trisha Bungalows, Amin Marag, Nr. Chandan Super Market, Opp. Ganga Hall, Rajkot, Gujarat – 360001	10721410
Dharmesh Chandulal Dadhania	49	Independent Director	Maa – 9, Royal Park, Near Dhumketu Hall, Kalawad Road, PO; Saurashtra University Area, Rajkot, Gujarat - 360005	10720100

*For a detailed profile of our directors, please refer to the chapter titled “**Our Management**” on page 75 of this Draft Letter of Offer.*

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Mansi Patel

801, Everest Commercial Complex,
Opp. Shastri Maidan,
Rajkot – 360 001, Gujarat. India.

Telephone: 0281-222 6097

E-mail: secretarial@acesoftex.com

CHIEF FINANCIAL OFFICER

Mr. Jyotin Bhadrakant Vasavada

801, Everest Commercial Complex,
Opp. Shastri Maidan,
Rajkot – 360 001, Gujarat. India.

Telephone: 0281-222 6097

E-mail: jyotinv@acesoftex.com

REGISTRAR TO THE ISSUE

MUFG Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai, 400 083, Maharashtra

Telephone: +91 8108114949

Email: acesoftware.rights2025@in.mpms.mufig.com

Website: www.mpms.mufig.com

Investor Grievance Email: acesoftware.rights2025@in.mpms.mufig.com

Contact Person: Ms. Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Validity of Registration: Permanent

STATUTORY AUDITORS

J. A. Sheth & Associates

507, Aalap-A, Limda Chowk, Subhash Road,

Rajkot – 3600001, Gujarat, India.

Telephone: 0281-258 9276

Email: jingal27@yahoo.com

Contact Person: CA Jingal Sheth

Membership No: 107067

Firm Registration No: 119980W

Peer Review No.: 014739

EXPERT OPINION

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

Our Company has received a written consent dated September 26, 2025 from our Statutory Auditors, M/s J. A. Sheth & Associates, 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 (i) the Audited Consolidated Financial Statements of the Company for the Fiscal Year 2025 and their audit report thereon dated May 30, 2025; (ii) Unaudited Consolidated Financial Results for the quarter ended June 30, 2025 and their report dated August 13, 2025 issued thereon, and (iii) the statement of special tax benefits dated September 26, 2025, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer. However, the term “expert” shall not be construed to mean an “expert” as defined under the Securities Act.

BANKER TO THE ISSUE AND REFUND BANK:

ICICI Bank

Address: Capital Markets Division, 5th floor, HT Parekh Marg, Churchgate, Mumbai—400020

Telephone: 022 68052182

Email: ipocmg@icicibank.com

Website: www.icicibank.com

Contact Person: Varun Badai

SEBI Registration No.: INBI000000004

BANKERS TO THE COMPANY

ICICI Bank

Shop No. 3, Gr. Floor, Dev Aurum, 100 Ft Road,
Prahlad Nagar, Ahmedabad – 380015, Gujarat.

Telephone: 9512021085

Contact Person: Mitul Rathod

E-mail: mitul.rathod@icicibank.com

Website: www.icicibank.com

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI at <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 at <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.

CREDIT RATING

As the present issue pertains to equity shares, obtaining a credit rating is not applicable.

DEBENTURE TRUSTEES

As this Issue is of Equity Shares, the appointment of a debenture trustee is not required.

MONITORING AGENCY

Our company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency, to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations.

Brickwork Ratings India Private Limited

3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bangalore 560076

Telephone: 080-4040 9940/080-4040 9999/6364362070

E-mail: rakesh.singh@brickworkratings.com

Website: www.brickworkratings.com

Contact Person: Rakesh Singh

SEBI Registration Number: IN/CRA/005/2008

CIN: U67190KA2007PTC043591

UNDERWRITING AGREEMENT

This Issue will not be underwritten, and our Company has, therefore, not entered into an underwriting arrangement.

FILING

The Draft Letter of Offer has been filed with BSE Limited and not with SEBI. However, the Letter of Offer will be filed with BSE Limited and shall be submitted with SEBI for information and dissemination.

CAPITAL STRUCTURE

The share capital of our Company, as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below:

(Rs. in Lakhs, except the share data)

	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	AUTHORISED SHARE CAPITAL		
	2,00,00,000 Equity Shares of face value of ₹10/- each	2000.00	-
B.	ISSUED, SUBSCRIBED AND FULLY PAID-UP CAPITAL BEFORE THE ISSUE		
	1,27,65,904 Equity Shares of Rs. 10 each	1276.59	-
C.	PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER⁽¹⁾		
	Up to [●] Rights Equity Shares, each at a premium of Rs. [●]/- per Rights Equity Share, i.e., at a price of Rs. [●]/- per Rights Equity Share.	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE⁽²⁾		
	Upto [●] Equity Shares of face value of Re. 1.00 each paid up	[●]	-
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		4,655.87
	After the Issue ⁽²⁾		[●]

(1) The Issue has been authorized by a resolution of our Board passed at its meeting held on September 26, 2025 pursuant to Section 62 of the Companies Act, 2013.

(2) Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.

Notes to the Capital Structure

1. Shareholding Pattern of our Company as per the last quarterly filing with the Stock Exchange, in compliance with the SEBI Listing Regulations:

- a) The shareholding pattern of our Company, as on June 30, 2025, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/ace-software-exports-ltd/acesoft/531525/qtrid/126.00/shareholding-pattern/Jun-2025/>
- b) The statement showing holding of Equity Shares of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on June 30, 2025, can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=531525&qtrid=126.00&QtrName=Jun-25>
- c) The statement showing holding of Equity Shares of persons belonging to the category "Public" as on June 30, 2025, can be accessed on the website of the BSE at:

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=531525&qtrid=126.00&QtrName=Jun-25>

2. Details of Equity Shares locked-in, pledged, encumbrance by Promoter and Promoter Group:

The Equity Shares of our Promoters and Promoter Group aggregating to 16,09,690 Equity Shares have been locked in, in accordance with SEBI (ICDR) Regulations on account of preferential allotment undertaken by our Company on February 12, 2024.

3. Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Draft Letter of Offer:

Except as detailed below, none of our Promoters or Promoter Group have acquired any securities in the last one year, immediately preceding the date of filing of this Draft Letter of Offer.

Sr. No.	Name	Promoter/Promoter Group Entity	Date of Transaction	Number of Equity shares	Nature of Transaction
1	Vikarm B Sanghani	Promoter	01.01.2025	7,37,139	Rights Issue
2	Sanjay Harilal Dhamsania (Jointly with Madhavi Sanjay Dhamsania)	Promoter	01.01.2025	5,60,124	Rights Issue
3	Jhamkunver H Dhamsania	Promoter Group	01.01.2025	3,19,183	Rights Issue
4	Jay Bhupatbhai Sanghani	Promoter Group	01.01.2025	2,43,046	Rights Issue
5	Dhamsania Sanjay Harilal - HUF	Promoter Group	01.01.2025	151117	Rights Issue
6	Dhamsania Harilal Thakarshi- HUF	Promoter Group	01.01.2025	1,02,287	Rights Issue
7	Vikram Bhupatbhai Sanghani -HUF	Promoter Group	01.01.2025	96,849	Rights Issue
8	Rahul Jayantibhai Kalaria	Promoter Group	01.01.2025	5,14,607	Rights Issue
9	Harsha Rahul Kalaria	Promoter Group	01.01.2025	1,38,851	Rights Issue
10	Pushpaben Jayantibhai Kalaria	Promoter Group	01.01.2025	69,425	Rights Issue
11	Jayantibhai Bhagvanjibhai Kalaria-HUF	Promoter Group	01.01.2025	57,854	Rights Issue
12	Bina Vikram Sanghani	Promoter Group	01.01.2025	37,721	Rights Issue
13	Dev Vikram Sanghani (Jointly with Vikram)	Promoter Group	01.01.2025	34,713	Rights Issue

Sr. No.	Name	Promoter/Promoter Group Entity	Date of Transaction	Number of Equity shares	Nature of Transaction
	Bhupatbhai Sanghani)				
14	Jayantibhai Bhagvanjibhai Kalaria	Promoter Group	01.01.2025	34,713	Rights Issue
15	Sohel Vikrambhai Sanghani	Promoter Group	01.01.2025	34,713	Rights Issue
16	Rahul Jayantibhai Kalaria- HUF	Promoter Group	01.01.2025	1,04,139	Rights Issue
17	Madhavi Sanjay Dhamsania	Promoter Group	01.01.2025	3,471	Rights Issue
18	Amit Mansukhlal Mehta	Promoter	01.01.2025	9,80,730	Rights Issue
19	Vaishali Amit Mehta	Promoter Group	01.01.2025	4,62,836	Rights Issue
20	Bina Vikram Sanghani	Promoter Group	26.08.2025	73855	Off-Market Inter-se transfer of shares within Promoter Group
21	Madhavi Sanjay Dhamsania	Promoter Group	26.08.2025	151996	Off-Market Inter-se transfer of shares within Promoter Group
22	Harsha Rahul Kalaria	Promoter Group	26.08.2025	206529	Off-Market Inter-se transfer of shares within Promoter Group
23	Rahul Jayantibhai Kalaria HUF	Promoter Group	09.09.2025	107854	Off-Market Inter-se transfer of shares within Promoter Group

4. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹224.07.
5. **Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the Stock Exchange:**

The details of the shareholders holding more than 1% of the share capital of the Company as on June 30, 2025 are as under:

Sr. No.	Name of Shareholders	Category	No. of Equity Shares held	% of total share capital
1.	Amit Mansukhlal Mehta	Promoter	18,28,310	14.28
2.	Vikram Bhupatbhai Sanghani	Promoter	13,74,200	10.74
3.	Sanjay Harilal Dhamsania (Jointly with Madhavi Sanjay Dhamsania)	Promoter	10,44,202	8.16
4.	Rahul Jayantibhai Kalaria	Promoter Group	9,59,349	7.49

5.	Vaishali Amit Mehta	Promoter Group	8,62,836	6.74
6.	Jhamkunver H Dhamsania	Promoter Group	5,95,033	4.65
7.	Jay Bhupatbhai Sanghani (Jointly with Vikram Bhupatbhai Sanghani)	Promoter Group	4,53,095	3.54
8.	Shankar Sharma	Public	4,31,160	3.37
9.	Dhamsania Sanjay Harilal - HUF	Promoter Group	2,81,717	2.20
10.	Harsha Rahul Kalaria	Promoter Group	2,58,851	2.02
11.	Rahul Jayantibhai Kalaria- HUF	Promoter Group	1,94,139	1.52
12.	Dhamsania Harilal Thakarshi- HUF	Promoter Group	1,90,687	1.49
13.	Vikram Bhupatbhai Sanghani -HUF	Promoter Group	1,80,549	1.41
14.	Pushpaben Jayantibhai Kalaria	Promoter Group	1,29,425	1.01

6. Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of this Draft Letter of Offer.
7. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.
8. As on the date of this Draft Letter of Offer, our Company has no employee stock option scheme.

OBJECTS OF THE ISSUE

The Issue comprises of up to [●] Rights Equity Shares of face value of ₹ 10/- each for a cash price at ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹ 7,021.25 Lakhs. For further details, refer to “The Issue” on page 47.

Our Company intends to utilize the proceeds of the Issue (the “**Gross Proceeds**”), after deducting Issue related expenses (“**Net Proceeds**”) towards the following objects:

1. Investment in QeMFG Private limited (*formerly AQE Techtools Private Limited*) by way of subscription of equity shares;
2. Investment in strategic initiatives towards global market expansion and brand building;
3. Development, marketing and execution of robotic automation solutions under new brand, “QeMatic”;
4. Investment in Organizational Transformation Program to elevate the Company from mid-market to an enterprise-grade professional technology organization;
5. Acquisition of equity shares of Theia Education Private Limited from its existing shareholders;
6. Additional investment in Theia Education Private Limited by way of subscription of equity shares;
7. Funding of General corporate purposes and unidentified acquisitions.

(Collectively, referred to herein as the “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enable us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

Details of the Object of the Issue

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

(Rs. in Lakhs)

Particular	Estimated Amount
Gross Proceeds from the Issue*	7,021.25
Less: Issue related expenses**	38.75
Net Proceeds from the Issue	6,982.50

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and receipt of Call monies with respect to Rights Equity Shares.

**To be finalized upon determination of the Issue Price and updated in the Letter of Offer. For further details, see “– Estimated Issue Expenses” on page 56.

Requirement of Funds and Utilization of Net Proceeds

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

(₹ in lakhs)

Sr. No.	Particular	Estimated Amount
1	Investment in QeMFG Private limited (formerly AQE Techtools Private Limited) by way of subscription of equity shares;	1,000.00
2	Investment in strategic initiatives towards global market expansion and brand building;	1,000.00
3	Development, marketing and execution of robotic automation solutions under new brand, 'QeMatic';	800.00
4	Investment in Organizational Transformation Program to elevate the Company from mid-market to an enterprise-grade professional technology organization;	600.00
5	Acquisition of equity shares of Theia Education Private Limited from its existing shareholders;	703.80
6	Additional investment in Theia Education Private Limited by way of subscription of equity shares;	552.00
7	Funding of General Corporate Purposes and unidentified acquisitions*	2,326.70
	Net Proceeds[#]	6,982.50

*The amount to be utilized towards General Corporate Purposes and unidentified acquisitions shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.

[#]Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and receipt of Call monies with respect to Rights Equity Shares.

Schedule of Implementation and Deployment of Net Proceeds

The following table provides for the proposed deployment of funds, after deducting Issue related expenses:

(₹ in lakhs)

Sr. No.	Particulars	Amount proposed to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds	
			F.Y. 2025-26	F.Y. 2026-27
1	Investment in QeMFG Private limited (formerly AQE Techtools Private Limited) by way of subscription of equity shares;	1,000.00	200.00	800.00
2	Investment in strategic initiatives towards global market expansion and brand building.	1,000.00	200.00	800.00
3	Development, marketing and execution of robotic automation solutions under new brand, 'QeMatic'	800.00	200.00	600.00
4	Investment in Organizational Transformation Program to elevate the Company from mid-market to an enterprise-grade professional technology organization;	600.00	200.00	400.00
5	Acquisition of equity shares of Theia Education Private Limited from its existing shareholders;	703.80	351.90	351.90
6	Additional investment in Theia Education Private Limited by way of subscription of	552.00	552.00	-

	equity shares			
7	Funding of General Corporate Purposes and unidentified acquisitions.	2,326.70	517.22	1,809.48
	Net Proceeds[#]	6,982.50	2,221.12	4,761.38

**The amount to be utilized towards General Corporate Purposes and unidentified acquisitions shall not individually exceed 25% of the Gross Proceeds and will not collectively exceed 35% of the Gross Proceeds.*

[#] Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares and subject to the finalization of the Basis of Allotment.

The funds requirements and deployment of Net Proceeds as described herein are based on various factors including current business plan, management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy, market conditions, competitive environment and interest rate fluctuations, interest and financing charges and other external factors which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from the planned funding requirements at the discretion of our management, subject to compliance with applicable laws.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals or seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, as per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects, subject to compliance with applicable law.

The above fund requirements are based on our current business plan and internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details, please see the section titled “Risk Factors” beginning on page 27 of this Draft Letter of Offer.

Means of Finance

Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds is not applicable.

Details of the Objects of the Issue

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

1. Investment in QeMFG Private Limited (formerly AQE Techtools Private Limited) by way of subscription of equity shares:

QeMFG Private Limited was incorporated as “AQE Techtools Private Limited” on July 04, 2024, as a wholly owned subsidiary of the Company. Subsequently, the name of the company was changed to QeMFG Private Limited vide

certificate of incorporation dated September 17, 2025 issued by Registrar of Companies, Gujarat. The CIN of the Company is U58202GJ2024PTC153186. The registered office of the company is situated at 801, Everest Commercial Complex, Opp. Shastri Maidan, Rajkot, Gujarat - 360001, India. The company is engaged in the business of development of digital products, including software, web, mobile, and SaaS-based solutions.

Our Company proposes to utilize ₹1000.00 Lakhs from the Net Proceeds of the Issue towards onwards subscription of additional equity shares of QeMFG Private Limited which has been approved by our Board by way of a resolution passed at its meeting held on August 13, 2025. QeMFG Private Limited will further utilise the funds for the purpose of development, enhancement, and scaling of QeMFG software (“**QEMFG**”), a purpose-built digital ecosystem specifically designed to address the operational and business challenges of the manufacturing and engineering sectors.

QeMFG is an integrated, modular platform comprising, inter alia:

- **Smart PPS (Production Planning & Scheduling):** Facilitating real-time, BOM-level control and optimization of manufacturing operations;
- **Smart ERP:** Configurable modules encompassing inventory management, procurement, finance, human resources, logistics, and quality management;
- **Smart CRM:** Designed to support RFQs, tenders, and B2B engineering sales cycles; and
- **Vendor and Customer Portals:** Providing real-time access to orders, quality metrics, and lifecycle information, thereby promoting enhanced collaboration, transparency, and trust.

In addition to the above products, QeMFG offers a comprehensive suite of IT and digital services, including cloud and DevOps solutions, cybersecurity and compliance services, AI/ML-based analytics, predictive maintenance, robotic process automation, mobile and web application development, and industrial time & motion studies, to facilitate end-to-end digital transformation.

The investment is intended to:

- Expand and strengthen the Company’s service offerings and technological capabilities;
- Facilitate access to new domestic and international markets;
- Enable operational efficiencies, quality improvements, and accelerated time-to-value for clients; and
- Achieve cost synergies and support the Company’s strategic objective of becoming a leading provider of integrated SaaS products and digital transformation solutions for the manufacturing and engineering industries;
- Partner or acquire related services/solutions to strengthen service portfolio for manufacturing/engineering domain.

The infusion of funds will empower QeMFG to further develop and scale the QeMFG platform and associated IT services, thereby generating measurable operational and commercial benefits for the Company and its stakeholders.

2. **Investment in strategic initiatives towards global market expansion and brand building:**

Our Company proposes to utilize ₹1,000.00 Lakhs from the Net Proceeds of the Issue towards funding its strategic initiatives which includes international business operations, which has been approved by our Board by way of a resolution passed at its meeting held on August 13, 2025 and September 26, 2025.

The Company has a demonstrated track record of generating significant revenues from its international operations, particularly in the United States through our Step Down Wholly Owned Subsidiary being Camerareadyart.com Inc. Further, our Company has in the recent past incorporated an entity in the name of “QeDigital Gulf Software Services FZCO” in Dubai, United Arab Emirates which will engage in software development, IT services, and technology

consulting, offering digital transformation and enterprise solutions to global clients, with a focus on the Middle East and surrounding regions.

With a global reach spanning across USA, UK and Australia and in furtherance of our long-term global business strategy, the Board has taken note of the Company's plans to expand its presence into new geographies, including the Middle East, the United Kingdom, Europe, and Australia, which are expected to provide strong demand opportunities for the Company's technology and digital transformation offerings.

The proposed international expansion strategy shall be implemented through a combination of the following:

- **Establishment of Overseas Entities:** Setting up or investing in wholly-owned subsidiaries, branch offices, or project offices in select geographies to serve as regional hubs for business development, client engagement, and delivery operations;
- **Strategic Alliances, Acquisitions, Partnerships, and Joint Ventures:** Entering into strategic collaborations, acquisitions, partnerships, and joint ventures with domestic and international technology providers, consulting firms, distributors, and channel partners to accelerate market penetration and service delivery;
- **Dedicated International Business Unit/Team:** Formation of a specialized unit responsible for identifying opportunities, conducting due diligence, structuring and executing cross-border transactions, managing international client relationships, and ensuring integration of global operations.

The investment is intended to:

- Strengthen the Company's international presence and enhance its competitiveness in global markets;
- Facilitate access to new clients, sectors, and technology ecosystems across the targeted geographies;
- Diversify revenue streams and reduce over-dependence on any single geography; and
- Support the Company's vision of becoming a global provider of software consulting and digital transformation solutions.

We aim to further enhance our business networks and strategic partnerships to extend our geographical footprint both in domestic as well as international markets. The infusion of funds will be applied towards initial establishment expenses of overseas entities, legal and advisory costs for regulatory and compliance-related matters, business development and marketing efforts, and hiring and training of specialized talent for managing global operations.

By pursuing this expansion, the Company aims to position itself as a globally integrated technology partner, capable of delivering consistent value across multiple markets, thereby creating long-term strategic and financial benefits for its stakeholders.

3. Development, marketing and execution of robotic automation solutions under its new brand, 'QeMatic':

Our Company proposes to utilize ₹800.00 Lakhs from the Net Proceeds of the Issue towards investment in the development, marketing and execution of automation solutions under its newly launched brand "**QeMatic**", which has been approved by our Board by way of a resolution passed at its meeting held on August 13, 2025.

'QeMatic' has been conceptualized as a purpose-built digital ecosystem designed to address the rising demand for Robotic Process Automation (RPA), AI-powered Intelligent Automation, Industrial Internet of Things (IIoT), and advanced Time & Motion Studies. The brand is positioned to serve as a productivity partner for enterprises, enabling them to automate repetitive processes, optimize operational workflows and achieve scalable efficiency across industries and functions.

The Company proposes to deploy ₹800.00 Lakhs from the proceeds of the Rights Issue, towards the development, commercialization and scaling of QeMatic offerings, which will include:

- **RPA Platforms and Solutions:** Development of modular, customizable RPA tools designed to automate manual, repetitive processes across diverse enterprise functions such as finance, supply chain, human resources, and customer engagement;
- **AI-powered Intelligent Automation:** Integration of machine learning models, natural language processing, and predictive analytics to enhance decision-making, enable self-learning automation, and deliver smarter business outcomes;
- **IIoT-based Solutions:** Deployment of IIoT-driven monitoring and control systems to enhance productivity, predictive maintenance, and efficiency in manufacturing and industrial operations; and
- **Enterprise Productivity Consulting:** Deep-dive time and motion studies, operational benchmarking, and process re-engineering to maximize output, reduce wastage, and deliver measurable ROI for clients.

In addition to these core offerings, QeMatic intends to provide a comprehensive suite of digital transformation services, including cloud and DevOps solutions, cybersecurity and compliance frameworks, mobile and web application development and data-driven analytics, thereby delivering holistic automation strategies for enterprise clients.

The proposed investment is intended to:

- Establish and strengthen the Company's position in the fast-growing automation and digital transformation space;
- Enable operational efficiencies, cost optimization, and productivity enhancement for client organizations;
- Facilitate entry into new domestic and international markets by offering differentiated RPA and automation platforms; and
- Support the Company's strategic objective of becoming a leading provider of integrated automation, SaaS, and digital transformation solutions.

The infusion of funds will empower the Company to accelerate the research, development, and deployment of QeMatic solutions, build robust go-to-market capabilities, and establish QeMatic as a recognized productivity partner for enterprises globally. The proposed investment is expected to generate sustainable operational and commercial benefits for the Company and its stakeholders in the medium to long term.

4. Investment in Organizational Transformation Program to elevate the Company from mid-market to an enterprise-grade professional technology organization:

Our Company proposes to utilize ₹600.00 Lakhs from the Net Proceeds of the Issue towards the implementation of an Organizational Transformation Programme which has been approved by our Board by way of a resolution passed at its meeting held on August 13, 2025 and September 26, 2025.

The Organizational Transformation Programme has been designed to strengthen the Company's internal capabilities, standardize operations across the group, and prepare the Company for its next phase of growth. The programme will be implemented across the Company and its subsidiaries and will focus on embedding globally recognized practices in quality, efficiency, and compliance, thereby enhancing operational resilience and stakeholder confidence.

The programme will encompass the following key initiatives:

- Operating Structure: Adoption of a new organizational model aimed at streamlining reporting lines, improving accountability, and driving efficiency across business units.
- Establishment of a Transformation Office: Creation of a dedicated office to oversee, monitor, and drive transformation initiatives across the Company, with a focus on quality, efficiency, learning and development, and digital innovation.
- Standardization of Processes and AI-led Automation: Introduction of standardized processes across business functions, supported by AI and intelligent automation tools to achieve operational excellence.
- Research and Innovation Labs: Establishment of labs dedicated to innovation, product research, and next-generation technologies in order to drive long-term competitiveness.
- Upskilling and Learning & Development: Implementation of structured training programs and upskilling initiatives for existing manpower to align with emerging industry and technology trends.
- Process, Compliance, and Security Certifications: Obtaining globally recognized certifications in quality, compliance, security, and other relevant domains to reinforce customer trust and support business scalability.
- Creation of a Global Capability Center (GCC): Establishment of a GCC to support the Company's group operations as well as to offer "GCC-as-a-Service" to external customers, particularly tech-enabled startups, thereby creating a new business line for the Company.

The investment is intended to:

- Strengthen the Company's operational backbone by embedding global best practices;
- Enhance efficiency, accountability, and organizational agility;
- Build scalable and resilient internal systems capable of supporting long-term growth;
- Create new revenue-generating opportunities through the offering of "GCC-as-a-Service"; and
- Foster a culture of continuous learning, research, and innovation within the Company.

The Board has approved an initial allocation of ₹600.00 Lakhs for undertaking the aforesaid activities. The programme will be implemented in a phased manner and in compliance with applicable statutory and regulatory requirements, as well as the Company's internal policies.

The proposed transformation is expected to deliver sustainable improvements in organizational performance, support the Company's growth strategy, and provide a differentiated value proposition to its clients and stakeholders.

5. Acquisition of equity shares of Theia Education Private Limited from its existing shareholders;

Theia Education Private Limited ("**TEPL**") was incorporated as a private limited company under the Companies Act, 2013 in the name of "Theia Theory of Education Private Limited" vide certificate of incorporation dated May 25, 2023 issued by the Registrar of Companies, Central Registration Centre. Subsequently, the name of the company was changed to Theia Education Private Limited vide a fresh certificate of incorporation pursuant to change of name dated June 12, 2025. The registered office of the company is situated at 23, Vraj Dham Bungalows, Near Shanti Asiatic School, S.P. Ring Road, Shela, Ahmedabad, Daskroi, Gujarat – 380058, India. The CIN of the company is U58111GJ2023PTC141443.

TEPL is a futuristic education company that uses artificial intelligence to enhance the learning process for both students and educators. It aims to create a responsive and intuitive learning ecosystem where AI adapts in real-time to the individual needs of each learner. It offers a range of programs ranging from building foundational skills in early learners to providing advanced research tools for higher education. It helps students grasp core concepts with clarity while empowering educators with automated insights and feedback.

TEPL is also developing an AI based Learning Eco system enabling various stakeholders such as school, educators, learners and other service providers. This eco system aims to bridge the critical gap between teaching, learning and implementing. This particular ecosystem will enable hybrid learning methodologies which are essential for the modern-day schooling.

Our Company proposes to utilize ₹ 703.80 Lakhs from the Net Proceeds of the Issue towards acquisition of the 2,04,000 equity shares of face value of ₹10/- each representing 56.67% of the existing equity share capital of TEPL from its existing shareholders as per details set forth below:

Shareholders Name	Equity Shares Held	Shareholding (%)
Avadh Shah	42,000	11.67%
Uma Anavaratham	27,000	7.50%
Achyutbhai Jasani	22,500	6.25%
Mahendra Doshi	22,500	6.25%
Panna Doshi	22,500	6.25%
Prafulchandra Jasani	22,500	6.25%
Jaykumar Shah	15,000	4.17%
Anu Ashokan	15,000	4.17%
Madhumita Anavaratham	15,000	4.17%
Total	2,04,000	56.67%

Our Company executed a share purchase agreement, with the abovementioned shareholders of TEPL, to acquire the 2,04,000 equity shares of face value of ₹10/- each representing 56.67% of the issued, subscribed and paid-up capital of TEPL, at a piece of ₹ 345/- per equity share for a total consideration of ₹703.80 Lakhs. The proposed acquisition was approved by our Board in its meeting held on September 26, 2025. The proposed acquisition will result in TEPL becoming a subsidiary of our Company, which will help us to integrate the operations of both entities.

Our Company has decided the acquisition value based on the valuation report obtained from Devang S. Thakar, Registered Valuer (SFA) (RV No. IBBI/RV/03/2022/14881) dated September 26, 2025.

6. Investment in Theia Education Private Limited by way of subscription of equity shares:

Theia Education Private Limited (“TEPL”) was incorporated as a private limited company under the Companies Act, 2013 in the name of “Theia Theory of Education Private Limited” vide certificate of incorporation dated May 25, 2023 issued by the Registrar of Companies, Central Registration Centre. Subsequently, the name of the company was changed to Theia Education Private Limited vide a fresh certificate of incorporation pursuant to change of name dated June 12, 2025. The registered office of the company is situated at 23, Vraj Dham Bungalows, Near Shanti Asiatic School, S.P. Ring Road, Shela, Ahmedabad, Daskroi, Gujarat – 380058, India. The CIN of the company is U58111GJ2023PTC141443.

TEPL is a futuristic education company that uses artificial intelligence to enhance the learning process for both students and educators. It aims to create a responsive and intuitive learning ecosystem where AI adapts in real-time to the individual needs of each learner. It offers a range of programs ranging from building foundational skills in early learners to providing advanced research tools for higher education. It helps students grasp core concepts with clarity while empowering educators with automated insights and feedback.

TEPL is also developing an AI based Learning Eco system enabling various stakeholders such as school, educators, learners and other service providers. This eco system aims to bridge the critical gap between teaching, learning and implementing. This particular ecosystem will enable hybrid learning methodologies which are essential for the modern-day schooling.

Our Company proposes to utilize ₹552.00 Lakhs from the Net Proceeds of the Issue towards subscription of additional 1,60,000 equity shares of TEPL at an issue price of ₹345/- per equity share, which has been approved by our Board by way of a resolution passed at its meeting held on September 26, 2025.

Our Company has decided the issue price based on the valuation report obtained from Devang S. Thakar, Registered Valuer (SFA) (RV No. IBBI/RV/03/2022/14881) dated September 26, 2025.

Since TEPL would become subsidiary of our Company, the proposed infusion of funds would be utilized by TEPL for development of digital educational product which would help expand our Company's service offerings, provide access to new markets and provide technological advancements, cost synergies and a broader customer base.

7. Funding of General Corporate Purposes and unidentified acquisitions:

Our Company intends to deploy the balance Net Proceeds aggregating up to ₹ 2,326.70 Lakhs towards funding of general corporate purposes and acquisition of unidentified targets, in a manner, as approved by our Board from time to time, provided that the amount to be utilized for general corporate purposes and acquisition of unidentified targets shall not individually exceed 25% of the Gross proceeds of the Issue and collectively shall not exceed 35% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

A) General Corporate Purposes:

Our Board will have flexibility in utilising the amount towards general corporate purposes, to drive our business growth, including, amongst other things, investments for inorganic growth, capital expenditure, funding growth opportunities, including strategic initiatives including repayment of outstanding loans, meeting our working capital requirements, payment of principal, interest on borrowings, strengthening marketing capabilities and brand building, rental and administrative expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable laws.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

B) Unidentified acquisitions:

Our Company may allocate a portion of the Net Proceeds towards potential acquisitions, investments, or strategic initiatives, both in India and abroad. These may include acquiring full or partial stakes in companies or businesses that are complementary to our operations, expanding our product portfolio, strengthening our distribution or supply chain, or otherwise supporting our long-term growth strategy. At present, no specific acquisition or investment target has been identified.

Any such acquisition or investment will be subject to financial, legal, technical, regulatory, and commercial due diligence, and will require approval of our Board of Directors and where applicable, relevant statutory or regulatory authorities. The actual deployment of funds will depend on the timing, size, nature, and number of such opportunities, prevailing market conditions, availability of targets, and other relevant factors.

ISSUE RELATED EXPENSES

The Issue related expenses consist of fees payable to the Advisors, Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchange. Our Company will need approximately ₹ 38.75 lakhs/- (Rupees Thirty-Eight Lakhs Seventy-Five Thousand Only) towards these expenses, a break-up of the same is as follows:

Particulars	Amount (Rs. in Lakhs)	As a Percentage of total expense	As a percentage of total Issue Size *
Brokerage, selling commission and upload fees	0.00	0.00%	0.00%
Fees payable to Registrar to the Issue	3.50	9.03%	0.05%
Fee payable to the legal advisor and other professional service providers	25.00	64.52%	0.36%
Advertising and Marketing.	2.50	6.45%	0.04%
Fees payable to regulators, including SEBI, Stock Exchanges, Depositories and other statutory fees.	4.00	10.32%	0.06%
Printing and stationery, distribution, postage, etc.	2.50	6.45%	0.04%
Other expenses (including miscellaneous expenses and stamp duty)	1.25	3.23%	0.02%
Total estimated Issue expenses	38.75	100.00%	0.55%

**Note: Subject to finalization of Basis of Allotment and assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.*

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

As on date, our Company has not deployed any funds towards the Objects of the Issue. However, our Board may, subject to applicable laws and in the interest of the Company, enter into financing arrangements for financing the objects of the Issue, pending receipt of call monies. In such cases or in case any financing arrangements have been availed prior to the completion of the Issue or receipt of subsequent call monies, we may utilise Net Proceeds of the Issue towards repayment or prepayment of such financing arrangements.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank or financial institution.

STRATEGIC AND/OR FINANCIAL PARTNERS

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

BRIDGE FINANCING FACILITIES

Our Company has not raised or availed of any bridge financing facilities which are subject to being repaid from the

Issue Proceeds.

INTERIM USE OF FUNDS

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 and will deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board.

MONITORING OF UTILIZATION OF FUNDS

Our Company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency to monitor utilization of proceed from the Issue, prior to filing the Letter of Offer, including the proceeds proposed to be utilised towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Net Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose the utilization of the Net Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds, which shall discuss, monitor and approve the use of the Net Proceeds along with our Board. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Net Proceeds shall be certified by the Auditors.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Directors' report, after placing it before the Audit Committee.

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.

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

None of our Promoters, members of the Promoter Group and the Directors have any interest in the Objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoters, Directors, or Key Managerial Personnel of our Company in the ordinary course of business and no part of the Net Proceeds will be paid as consideration to any of them. Further, except as disclosed, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Ace Software Exports Limited
801, Everest Complex,
Opposite Shastri Maidan,
Rajkot, Gujarat, 360001

Sub: Proposed rights issue of partly paid-up equity shares of face value of ₹10 each (“Rights Equity Shares”) of Ace Software Exports Limited (the “Company” and such offering, the “Issue”), pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

Dear Sir/Madam,

This certificate is issued in accordance with the terms of our engagement letter dated September 26, 2025 with the Company in the context of the Issue in accordance with Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and applicable provisions of the Companies Act, 2013, as amended (the “**Companies Act**”).

We, J.A. Sheth & Associates , Chartered Accountants (ICAI FRN 119980W) (the “**Firm**”) have been appointed by the Board of Directors of Ace Software Exports Limited (the “**Company**”) as an “expert” as defined under Section 2(38) of the Companies Act, 2013, as amended in the Draft Letter of Offer (“**DLOF**”) intended to be filed by the Company with the Securities and Exchange Board of India (“**SEBI**”) and BSE Limited (“**BSE**”) (the “**Stock Exchange**”), where the Equity Shares are proposed to be listed, as well as in other documents in relation to the Issue (the “**Offer Documents**”). The Company has asked us to furnish the captioned certificate towards the Tax Benefits of the Company, which would be forming part of the Offer Documents.

The Firm is independent of the Company in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby report that the enclosed Statement, prepared by Ace Software Exports Limited (the “**Company**”), states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961, and Income-tax Rules, 1962, including amendments made by the Finance Act, 2025 (hereinafter referred to as “**Income Tax Laws**”); the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017; the respective State Goods and Services Tax Act, 2017; the Customs Act, 1962; the Customs Tariff Act, 1975, as amended; and the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy), including the relevant rules, regulations, circulars and notifications issued thereunder (collectively referred to as “**Indirect Tax Laws**”), presently in force in India as of the date of signing, for inclusion in the Draft Letter of Offer/Letter of Offer for the proposed rights issue of the Company to its existing shareholders.

These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or its shareholders to derive such special tax benefits is subject to compliance with these conditions, which will depend on the business imperatives the Company may face in the future. Accordingly, the Company or its shareholders may or may not choose to fulfill such conditions.

The benefits discussed in the enclosed Statement cover only the possible **special tax benefits** available to the Company and its shareholders and do not cover **general tax benefits**. The tax benefits listed herein are those that may be available under the current direct tax laws in force in India. Furthermore, any benefits available under other laws within or outside India have not been examined or included in this Statement.

The preparation of the enclosed Statement and its contents is the responsibility of the management of the Company. We have been informed that this Statement is intended only to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences and the constantly evolving tax laws, each investor is advised to consult their own tax advisor with respect to the specific tax implications arising out of their participation in the proposed Issue. We are neither suggesting nor advising any investor to invest in the Issue based on this Statement.

We have conducted our examination in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*’ (“**the Guidance Note**”) issued by the Institute of Chartered Accountants of India (“**ICAI**”). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

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.*”

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; or
- The conditions prescribed for availing of the benefits, where applicable, have been or will be met.

The contents of the enclosed Statement are based on information, explanations, and representations obtained from the Company and our understanding of the Company’s business activities and operations. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities or courts will concur with the views expressed herein. Our views are based on the current provisions of law and their interpretation, which are subject to change from time to time. We do not assume responsibility to update these views consequent to such changes. We shall not be liable to the Company for any claims, liabilities, or expenses arising out of this assignment, except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any third party in respect of this Statement.

This Statement is solely for your information and is not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this Statement in the Draft Letter of Offer and Letter of Offer and for submission of this Statement to the Securities and Exchange Board of India, and the stock exchange where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue.

This certificate may be relied on by the Company and the legal counsel in relation to the Issue.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Issue commence trading on the recognized stock exchange. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Equity Shares commence trading on the recognized stock exchange.

For and on behalf of
J.A. Sheth & Associates, Chartered Accountants

Jingal Sheth
Proprietor
Membership No.: 107067
UDIN: 25107067BMLFCW1955

Date: 26-09-2025

Place: Rajkot

Encl: As above

ANNEXURE
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors
Ace Software Exports Limited
801, Everest Complex,
Opposite Shastri Maidan,
Rajkot, Gujarat, 360001

Re: Proposed rights issue of partly paid-up equity shares of face value of ₹10 each (“Rights Equity Shares”) of Ace Software Exports Limited (the “Company” and such offering, the “Issue”), pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

Dear Sir/Madam,

This certificate is issued in accordance with Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and applicable provisions of the Companies Act, 2013, as amended (the “**Companies Act**”).

We, M/s J.A. Sheth & Associates, Chartered Accountants (ICAI FRN 119980W) (the “**Firm**”) have been appointed by the Board of Directors of Ace Software Exports Limited (the “**Company**”) as an “expert” as defined under Section 2(38) of the Companies Act, 2013, as amended in the Draft Letter of Offer (“**DLOF**”) intended to be filed by the Company with the Securities and Exchange Board of India (“**SEBI**”) and BSE Limited (“**BSE**”) (the “**Stock Exchange**”), where the Equity Shares are proposed to be listed, as well as in other documents in relation to the Issue (the “**Offer Documents**”). The Company has asked us to furnish the captioned certificate towards the Special Tax Benefits of the Company, which would be forming part of the Offer Documents.

The Firm is independent of the Company in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby report that the enclosed Statement prepared by Ace Software Exports Limited (the “Company”) states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act 2025 (hereinafter referred to as “Income Tax Laws”), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy) including the relevant rules and regulations, circulars and notifications issued there under (hereinafter referred to as “Indirect Tax Laws”), presently in force in India under the respective tax laws as on the signing date, for inclusion in the Draft Letter of Offer/Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only possible special 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. 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 Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement.

We have conducted our examination in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)*’ (‘*the Guidance Note*’) issued by the Institute of Chartered Accountants of India (‘ICAI’). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘*Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements*’

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; or
- The conditions prescribed for availing the benefits, where applicable, have been/would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchange where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

For and on behalf of

J.A. Sheth & Associates, Chartered Accountants

Sd/-

Jingal Sheth

Proprietor

Membership No.: 107067

UDIN: 25107067BMLFCW1955

Date: 26-09-2025

Place: Rajkot

Encl: As above

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ACE SOFTWARE EXPORTS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE INCOME TAX LAWS

1. Special tax benefits available to the Company under the Income Tax Laws

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Income Tax Laws

There are no special tax benefits available to the shareholders of the Company.

Notes:

- a. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant laws.
- d. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ACE SOFTWARE EXPORTS LIMITED (THE “COMPANY”) AND ITS SHAREHOLDERS UNDER THE INDIRECT TAX LAWS

1. Special tax benefits available to the Company under the Indirect Tax Laws

There are no special indirect tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Indirect Tax Laws

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes:

- a. The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only the above-mentioned indirect tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to updating the views consequent to such changes.

OUR MANAGEMENT AND ORGANISATION STRUCTURE

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board. As on date of this Draft Letter of Offer, we have eight (08) Directors on our Board, which includes, one (01) Managing Director and CEO, three (03) Executive Directors and four (04) Independent Directors, one of them are also the woman director of our Company.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

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

Sr. No.	Name, DOB, Age, Address, Occupation, Term, Period of Directorship	Age (in years)	Other Directorships
1.	AMIT MANSUKHLAL MEHTA Date of Birth: October 4, 1974 DIN: 00432898 Address: 833, Takshshila Society – 2, Near Phulchhab Press, Opp Star Plaza, Rajkot, Gujarat – 360001 Designation: Managing Director and CEO Occupation: Business Current Term of Office: Appointed as Managing Director & CEO of the Company for five years w.e.f. August 01, 2024. Period of Directorship: Since May 30, 2024.	50	<i>Indian Companies</i> 1. Ace Infoway Private Limited 2. QeMFG Private Limited (Formerly AQE Techtools Private Limited) 3. QECAD Studio Private Limited 4. QEAPPS Private Limited <i>Foreign Companies</i> 5. Camerareadyart.com Inc. 6. QeApps Inc.
2.	VIKRAM BHUPAT SANGHANI Date of Birth: February 3, 1963 DIN: 00183818 Address: Roshani, Street No.-7, Dr. Yagnik Road, Jagnath Plot, Rajkot, Gujarat - 360001 Designation: : Chairman Emeritus & Whole-Time Director Occupation: Business Current Term of Office: Appointed as Whole Time Director of the Company for five years w.e.f. August 01, 2024. Period of Directorship: Since Incorporation of Company i.e. August 17, 1994	62	<i>Indian Companies</i> 1. Gradient Epub Solutions Private Limited 2. Sanghani Foundation 3. Neorajkot Foundation 4. Ace Computer Education Private Limited 5. Ace Infoworld Private Limited 6. Everest Office Owners Association Pvt Ltd 7. Ace Riverside Private Limited 8. Ace Infoway Private Limited 9. QeMFG Private Limited (Formerly AQE Techtools Private Limited)

Sr. No.	Name, DOB, Age, Address, Occupation, Term, Period of Directorship	Age (in years)	Other Directorships
			10. QECAD Studio Private Limited 11. QEAPPS Private Limited <i>Foreign Companies</i> 12. Camerareadyart.com Inc.
3.	SANJAY HARILAL DHAMSANIA Date of Birth: March 7, 1962 DIN: 00013892 Address: 801, Ravi Haven, Ketan Park, Avadh Road, Off Kalavad Road, Rajkot, Gujarat - 360005 Designation: Whole Time Director Occupation: Business Current Term of Office: Appointed as Whole Time Director of the Company for five years w.e.f. August 01, 2024. Period of Directorship: Since Incorporation of Company i.e. August 17, 1994	63	<i>Indian Companies</i> 1. Everest Office Owners Association Pvt Ltd 2. Ace Infoworld Private Limited 3. Ace Computer Education Private Limited 4. QeMFG Private Limited (Formerly AQE Techtools Private Limited) 5. QeApps Private Limited 6. Ace Riverside Private Limited <i>Foreign Companies</i> 7. Camerareadyart.com Inc.
4.	RAHUL JAYANTIBHAI KALARIA Date of Birth: August 19, 1969 DIN: 00432774 Address: A 901, Kings Heights, Vidya Kunj Society Main Road, Amin Marg, Rajkot, Gujarat – 360001 Designation: Whole-time Director Occupation: Business Current Term of Office: Appointed as Whole Time Director of the Company for five years w.e.f. September 06, 2024. Period of Directorship: Since May 30, 2024	56	<i>Indian Companies</i> 1. Ace Infoway Private Limited 2. Ace Riverside Private Limited 3. Shilpan Steelcast Private Limited 4. QeMFG Private Limited (formerly AQE Techtools Private Limited) 5. QECAD Studio Private Limited 6. QeApps Private Limited <i>Foreign Companies</i> 7. Camerareadyart.com Inc.
5.	DIVYESHKUMAR BABULAL AGHERA Date of Birth: September 23, 1970 DIN: 09308587 Address: 502, Silver Star Apartment, Opp. Sharda Baug, Shroff Road, Rajkot, Gujarat - 360001 Designation: Independent Director Occupation: Business	54	<i>Indian Companies</i> 1. DI2NI Enterprise Private Limited 2. Ace Infoway Private Limited 3. Ace Infoworld Private Limited

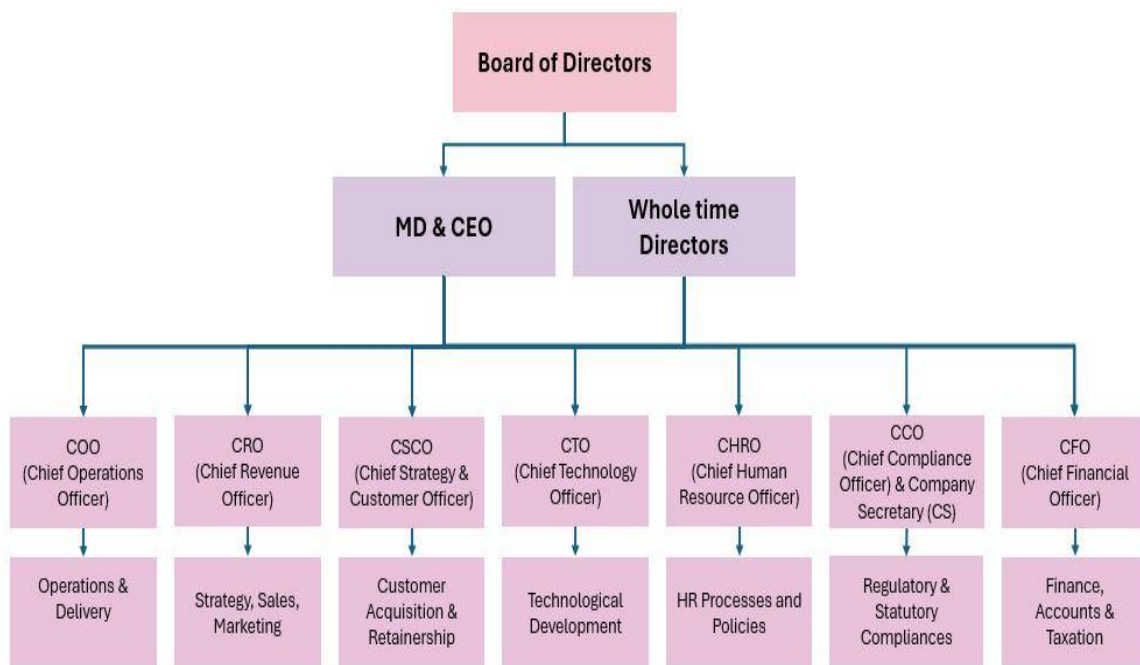
Sr. No.	Name, DOB, Age, Address, Occupation, Term, Period of Directorship	Age (in years)	Other Directorships
	Current Term of Office: Five years from August 01, 2024, till July 31, 2029. Period of Directorship: Since August 01, 2024		<i>Foreign Companies: Nil</i>
6.	SANJIV PRAVINCHANDRA PUNJANI Date of Birth: October 03, 1968 DIN: 00418869 Address: Jalaram Plot 01, University Road, Rajkot, Gujarat – 360007 Designation: Independent Director Occupation: Business Current Term of Office: Five years from August 01, 2024, till July 31, 2029. Period of Directorship: Since August 01, 2024	56	<i>Indian Companies</i> 1. Sunflower Apparels Private Limited; 2. Keynote Consultancy Private Limited; 3. Flamingo Auto Parts Private Limited; 4. Power Source Engine Parts Private Limited; 5. Arvindbhai Maniar Charitable Foundation. <i>Foreign Companies: Nil</i>
7.	MALINI MITESH SHAH Date of Birth: May 20, 1972 DIN: 10721410 Address: 22 – Trisha Bungalows, Amin Marag, Nr. Chandan Super Market, Opp. Ganga Hall, Rajkot, Gujarat – 360001 Designation: Independent Director Occupation: Business Current Term of Office: Five years from August 01, 2024, till July 31, 2029. Period of Directorship: Since August 01, 2024	53	<i>Indian Companies: Nil</i> <i>Foreign Companies: Nil</i>
8.	DHARMESH CHANDULAL DADHANIA Date of Birth: August 08, 1976 DIN: 10720100 Address: Maa – 9, Royal Park, Near Dhumketu Hall, Kalawad Road, PO; Saurashtra University Area, Rajkot, Gujarat - 360005. Designation: Independent Director Occupation: Business Current Term of Office: Five years from August 09, 2024, till August 08, 2029. Period of Directorship: Since August 09, 2024	49	<i>Indian Companies: Nil</i> <i>Foreign Companies: Nil</i>

SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL

Set forth below are the details of our senior management and key managerial personnel:

Sr. No.	Name of Person	Designation	Associated with Company Since
1	Jyotin Bhadrakant Vasavada	Chief Financial Officer	October 1, 2000
2	Mansi Patel	Company Secretary & Compliance Officer	August 1, 2019

MANAGEMENT ORGANISATIONAL STRUCTURE



SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Website Link
1.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2025	https://acesoftex.com/investor-relations.html
2.	Unaudited Consolidated limited review Financial Statements as at and for the quarter ended June 30, 2025	https://acesoftex.com/investor-relations.html

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EXTRACT FROM THE AUDITED FINANCIAL STATEMENTS

Extract of the Fiscal 2025 Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchanges:

(Rs. in Lakhs)

Particulars	Quarter ended June 30, 2025	Quarter ended June 30, 2024	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024
	Amount	Amount	Amount	Amount
Total income from operations	1,324.70	530.95	3,154.65	2,372.31
EBITDA	184.23	132.41	824.05	661.42
Net Profit/(loss) before tax and extraordinary items	121.95	110.59	648.24	578.16
Net Profit/(loss) after tax and extraordinary items	121.95	110.59	559.49	534.65
Equity share capital	1269.17	640.00	1,269.17	640.00
Reserves and surplus	N.A.	N.A.	7,582.88	2,368.36
Net worth	N.A.	N.A.	9,352.83	3,443.65
Basic Earnings per share (in ₹)	0.96	1.73	7.49	8.35
Diluted Earnings per share (in ₹)	0.96	1.73	4.37	8.35
Return on net worth (in %)	N.A.	N.A.	5.98%	15.26%
Net Asset Value per Share (in ₹)	N.A.	N.A.	73.07	53.81

Notes:

EBITDA: calculated as profit/(loss) before tax, plus, depreciation and amortization expense excluding other income. This gives information regarding the operating profits generated by our Company in comparison to the revenue from operations of our Company

Basic EPS: Net Profit for the year attributable to owners of our Company/ weighted average number of Equity Shares outstanding during the year

Diluted EPS: Net Profit for the year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares

Return on net worth: Net Profit for the year attributable to owners of our Company/Average Net Worth

Net Asset value per share: Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the year

The entire Audited financial report for the year ended March 31, 2025 and the limited review report for the quarter ended June 30, 2025 is available in the website of the Company at <https://acesoftex.com/investor-relations.html>.

DETAILED RATIONALE FOR THE ISSUE PRICE

The Issue Price has been determined by our Company on the basis of an assessment of market demand for the Equity Shares offered and on the basis of the qualitative and quantitative factors as described below:

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

1. Innovative Technology Solutions

We offer a broad range of IT and software services including publishing, consulting, digital services, and building solutions. Our investments in new-age technologies such as AI, cloud services, data analytics, machine learning, and blockchain enable us to deliver innovative and scalable solutions. Our technology-driven approach improves operational efficiency and ensures that our solutions remain at the forefront of industry advancements.

2. Customer-Centric Approach

Our ability to customize services to client requirements has been a key driver of growth. We provide comprehensive support including post-deployment assistance, maintenance, and updates, which builds strong long-term relationships and ensures customer satisfaction. Our diverse clientele across industries such as publishing, healthcare, finance, education, and retail reflects our capability to deliver relevant and effective solutions.

3. Wide Geographical Reach

Our operations span the USA, Australia, and other international markets, providing access to diverse business opportunities and mitigating risks from geographic concentration. This global presence significantly contributes to our revenue from exports and allows us to serve a broader customer base while taking advantage of global opportunities.

4. Strong Leadership and Skilled Workforce

Our company is led by Promoter, Managing Director & CEO Amit Mansukhlal Mehta, supported by a visionary management team. With extensive experience in strategy, digital marketing, e-commerce, and technology, the leadership drives growth and innovation. Alongside, our skilled workforce of IT professionals, developers, engineers, and consultants ensures delivery of high-quality services and solutions.

5. Synergy Benefits of Acquisitions

The acquisitions of AIPL, QeNomy Digital LLP, and QeCAD Studio LLP enhance operational efficiency by combining resources, expertise, and processes. This integration streamlines operations, reduces costs, expands the service portfolio, and enables us to reach new customer segments, strengthening our overall market position.

Quantitative factors

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic and Diluted Earnings Per Share (EPS)

(₹ in Lakhs, except per share data)

Particulars	For the financial year ended	
	March 31, 2025	March 31, 2024
Basic earnings per share (₹)	7.49	8.35
Diluted earnings per share (₹)	4.37	8.35
Return on Net Worth (%)	5.98	15.53
Net Asset Value per Equity Share (₹)	73.07	53.81
EBITDA (₹ in lakhs)	824.05	661.42

2. Return of Net Worth

(₹ in Lakhs, except per share data)

Particulars	For the financial year ended	
	March 31, 2025	March 31, 2024
Net Profit/ (Loss) after Tax (A)	559.49	534.65
Equity Share Capital (B)	1269.17	640.00
Other Equity (including non-controlling interest) (C)	8,083.66	2,803.65
Net Worth (D) = (B+C)	9,352.83	3,443.65
Return on Net Worth (A / D) * 100 (%)	5.98	15.53

3. Net asset value per Equity Share

(₹ in Lakhs, except per share data)

Particulars	For the financial year ended	
	March 31, 2025	March 31, 2024
Net Worth (A)	9,352.83	3,443.65
No. of Equity Shares subscribed and fully paid up outstanding (B)	1,28,00,000	64,00,000
Net Assets Value per Equity Share [(A * 100,000) / B]	73.07	53.81

4. Market Price of Equity Shares

Market Price as on the date of the Draft Letter of Offer is ₹ 327.90 per share

The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 224.07 per Equity Share

The Issue Price is [●] times of the face value of the Equity Share.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company is required to obtain consents, licenses, permissions and approvals from various governmental and regulatory authorities that are required for carrying on our present business operation. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the Projects are located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Material pending government and regulatory approvals pertaining to the Objects of the Issue:

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 56 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue has been authorized through a resolution passed by our Board at its meeting held on September 26, 2025, to raise funds by issuance and allotment of equity shares for an aggregate amount of up to ₹7,021.25 Lakhs (Rupees Seventy Crore Twenty One Lakhs Twenty Five Thousand only), to all the eligible equity shareholders of the Company, as on the record date (*to be notified later*) on a rights basis (“**Rights Issue**”) on such terms as may be decided by the Board of Directors. subject to receipt of regulatory/statutory approvals, in accordance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, SEBI Listing Regulations, and the Companies Act, 2013 and rules made thereunder, as amended from time to time.

The Draft Letter of Offer has been approved by our Board of Directors, at a meeting held on September 26, 2025.

Our Board in its meeting held on [●] has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹ [●] per Equity Share (*including a premium of ₹ [●] per Equity Share*) aggregating up to ₹ [●] lakhs. The Issue Price is ₹ [●] per Equity Share and has been arrived at by our Company in consultation with the Advisor to the Issue prior to determination of the Record Date.

The Letter of Offer has been approved by our Board of Directors, at the meeting held on [●] 2025.

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to letter dated [●]. Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Regulations.

Our Company has been allotted the ISIN: [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see “**Terms of the Issue**” beginning on page 91 of this Draft Letter of Offer.

Prohibition by SEBI or other Governmental Authorities

Our Company, the Promoters, the Directors and persons in control of our Company have not been or are not prohibited from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Neither our Company nor our Promoters have been penalized by SEBI for violations of provisions of SEBI Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015 in the last 5 years. There are no outstanding SEBI actions against our Company or our Promoters as on the date of this Draft Letter of Offer. For details, see chapter titled “*Government and Other Statutory Approvals*” and “*Other Regulatory and Statutory Disclosures*” on page 83 and 84 of this Draft letter of offer.

None of our Promoters, the Directors, persons in control of our Company or the persons in control of our Promoters was or is a promoter, director or person in control of any other company which has been restrained, 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.

None of the Directors of our Company are associated with the capital market in any manner. SEBI has not initiated action against any entity with which our Directors are associated.

Neither our Promoters nor our Directors are declared as Fugitive Economic Offenders under Section 12 of Fugitive Economic Offenders Act, 2018.

Association of our Directors with the securities market

None of our Directors are associated with the securities market.

Prohibition by RBI

Neither our Company, our Promoters nor our Directors have been or are identified as Willful Defaulters or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

Eligibility for the Issue

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the requirements of Regulation 61 and 62 of the SEBI ICDR Regulations to the extent applicable. Our Company undertakes to make an application for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the purpose of the Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

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

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

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSES

1. Disclaimer clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations.

2. Disclaimer from our Company

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

Investors who invest in the Issue will be deemed to have been represented by our Company and respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares of our Company and are relying on independent advice/evaluation as to their ability and quantum of investment in this Issue.

Cautions

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

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlements, 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.

3. 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 Issue will be subject to the jurisdiction of the appropriate court(s) in Rajkot, Gujarat, India only.

4. Disclaimer Clause of the BSE

“BSE Limited ("the Exchange") has given vide its letter dated [●], permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange;
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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.”

Designated Stock Exchange

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

Filing

This Draft Letter of Offer is being filed with the Stock Exchange i.e., BSE as per the provisions of the SEBI ICDR Regulations. Further, in terms of SEBI ICDR Regulations, our Company will simultaneously do an online filing with SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018, issued by the SEBI for record purposes only.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of the Issue Materials and the issue of Rights Entitlements and Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Issue Materials only to such Eligible Equity Shareholders who have provided an Indian address to our Company/Registrar.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Issue Materials 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, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares, or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any

provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of the Draft Letter of Offer, this Letter of Offer, the Entitlement Letter and the 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 this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF THEIR RESPECTIVE AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS EQUITY SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY 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 SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Accordingly, the Draft Letter of Offer, this Letter of Offer, the Rights Entitlement Letter and the 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 will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

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

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Investor Grievances and Redressal System

In compliance with Securities and Exchange Board of India Master Circular for Online Dispute Resolution (“**ODR**”) bearing reference number SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (“**SEBI ODR Master Circular**”) we have completed the registration process of our Company on the Smart Market Approach for Resolution through ODR Portal (“**SMART ODR**”). Further we undertake to resolve and take action on the complaints received in respect of the Issue expeditiously and satisfactorily and in accordance with the timelines provided under the SEBI ODR Master Circular and Securities and Exchange Board of India Circular bearing reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023. The Company has authorized its Company Secretary as the Compliance Officer to redress all complaints in relation to the Issue including any complaints regarding the post-issue activities of the Issue such as allotment, refund, and dispatch.

Our Company has adequate arrangements for the redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (“**SCORES**”), as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders’ Relationship Committee which meets at least once a year and as and when required, to deal with and monitor redressal of complaints from shareholders. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights.

Accurate Securities and Registry Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 21 days from the receipt of the complaint.

Investor Grievances arising out of the Issue

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

Investors may contact the Registrar to the Issue, or our Company Secretary and Compliance Officer for any Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” on page 91.

Investors may contact the Registrar to the Issue at:

MUFG Intime India Private Limited

Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, 400 083, Maharashtra

Telephone: +91 8108114949

Email: acesoftware.rights2025@in.mpms.mufg.com

Website: www.mpms.mufg.com

Investor Grievance Email: acesoftware.rights2025@in.mpms.mufg.com

Contact Person: Ms. Shanti Gopalkrishnan

SEBI Registration No.: INR000004058

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post -Issue related matters such as non-receipt of Allotment Advice/demat credit/refund orders etc.

Mansi Patel

Company Secretary and Compliance Officer

801, Everest Commercial Complex, Opp. Shastri Maidan, Rajkot - 360001, Gujarat, India.

Telephone: 0281-2226097

Email: investorinfo@acesoftex.com

Website: www.acesoftex.com

SECTION VI – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Draft Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in the Draft Letter of Offer.

The Eligible Equity Shareholders are requested to note that application in this issue can only be made through ASBA.

Please note that our Company has opened a separate demat suspense escrow account (namely, “[●]”) (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed / suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details / documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense 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 our Company or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date,

Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

Overview

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

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Application Form, the Rights Entitlement Letter and other 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 Application Form, the Rights Entitlement Letter and other Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

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

Shareholders can access the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.acesoftex.com;
- (ii) the Registrar at www.mpms.mufg.com; and
- (iii) the Stock Exchange at www.bseindia.com.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar at www.mpms.mufg.com by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at www.acesoftex.com.

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

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

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

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular, all Investors desiring to make an Application in the 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.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts. For further details on the Rights Entitlements and demat escrow account, see "*Terms of Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 108.

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. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

a) Facilities for Application in this Issue:

ASBA facility

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. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please refer to "***Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form***" beginning on page 98 of this Draft Letter of Offer.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that 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 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, see “- Grounds for Technical Rejection” on page 103. Our Company, the Registrar 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, see “- ***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***” on page 96.

b) Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholders will have the option to:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or

- (v) renounce its Rights Entitlements in full.

c) Procedure for Application through the ASBA process

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode 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 and have otherwise provided an authorisation 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.

Please note that subject to SCSBs complying with the requirements of SEBI ICDR Master Circular and SEBI Rights Issue Circular, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, 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.

Do's for Investors applying through ASBA:

- (i) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (ii) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (iii) 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.
- (iv) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (v) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (vi) 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.

- (vii) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (viii) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (ix) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA

- (i) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (ii) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (iii) Do not send your physical Application to the Registrar, 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.
- (iv) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.
- (v) Do not submit Application Form using third party ASBA account.
- (vi) Do not submit Multiple Application Forms.

d) Application by Specific Investor(s), if any and applicable:

In case of renunciation of Rights Entitlement to Specific Investor(s) by our Promoter or members of our Promoter Group

Our Promoter or members of our Promoter Group does not intend to renounce their Rights Entitlement in this Issue to any Specific Investor(s).

In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

e) Applications 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 in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchange to provide requisite details.

An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being Ace Software Exports Limited;
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Folio Number (in case of Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) / DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option preferred - only Dematerialised form;
- (vi) Number of Rights Equity Shares entitled to;
- (vii) Number of Rights Equity Shares applied for within the Rights Entitlements;
- (viii) Number of Additional Rights Equity Shares applied for, if any; (applicable only if entire Rights Entitlements have been applied for);
- (ix) Total number of Rights Equity Shares applied for;
- (x) Total amount paid at the time of application of ₹ [●] per Rights Equity Share;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (xiii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the Applicants;
- (xiv) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence);
- (xvi) Additionally, all such Applicants are deemed to have accepted the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("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 ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement 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 Entitlement in the United States. Accordingly, I/we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/we confirm that I/we are not in the United States and understand that neither us, nor the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the 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 except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement 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.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/ We hereby make representations, warranties and agreements set forth in "Restrictions of Foreign Ownership of Indian Securities" on page 126 of this Letter of Offer.

I/We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.mpms.mufg.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.

f) Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only.

Such Eligible Equity Shareholders holding shares in physical form, as applicable, can update the details of their respective demat accounts on the website of the Registrar at www.mpms.mufg.com. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish their relevant details (such as copies of self-attested PAN and details of address

proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) along with 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, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with the SEBI ICDR Master Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date 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. Such Resident 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

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, as applicable, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the Issue:

- (i) The Eligible Equity Shareholders, shall visit at www.mpms.mufig.com, to upload their client master sheet and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- (ii) 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 1 (One day before the Issue Closing Date);
- (iii) The remaining procedure for Application shall be same as set out in *"Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page 96.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON RECORD DATE 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, AS APPLICABLE.

g) Application for Additional Equity Shares:

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in *"Basis of Allotment"* beginning on page 119 of this Draft Letter of Offer.

Eligible Equity Shareholders, who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders, cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

- h) Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s).**

Our Promoters and Promoter Group vide their letters dated September 26, 2025 have agreed that they may or may not:

- (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters, member(s) of the Promoter Group of our Company;
- (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue;
- (c) subscribe to, either individually or jointly and/ or severally with any other Shareholder for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue;

subject to the post issue aggregate shareholding of our Promoter and members of our Promoter Group not resulting in the minimum public shareholding of the issuer falling below the level prescribed under the Securities Contracts (Regulation) Rules, 1957 and the SEBI LODR Regulations, as amended from time to time.

Further, the Promoters and Promoter Group reserve the right to renounce their Rights Entitlement partly or to the full extent in the Issue including additional Rights Entitlement that may be renounced in the favour of any person, in accordance with applicable laws.

In the event the Promoters decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply. Pursuant to Regulation 86 of the SEBI ICDR Regulations, it is mandatory for the issuer company to achieve a minimum subscription in a rights issue. Specifically, the company must receive subscription for at least ninety percent (90%) of the total issue size as stated in the offer document. The minimum subscription threshold includes all valid applications received and accepted from eligible shareholders and other investors in the rights issue. The Company is, therefore, committed to ensuring compliance with this regulatory requirement and will take all necessary steps to achieve the prescribed minimum subscription level.

The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group 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. Any acquisition of Rights Equity Shares by the Promoter, over and above its Rights Entitlements, shall not result in a change in control of the management of our Company and shall be in compliance with the SEBI SAST Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under Applicable Law.

i) Additional general instructions for Investors in relation to making an Application:

- (i) Please read the Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- (ii) In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the

Registrar or our Company at least two Working Days prior to the Issue Closing Date, 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.

- (iii) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (iv) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.
- (v) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section ***“Terms of the Issue – Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process”*** on page 96.
- (vi) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and SEBI Rights Issue Circular, 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.
- (vii) 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.
- (viii) 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, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE.
- (ix) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- (x) 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 Application Form.
- (xi) 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.
- (xii) 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.

- (xiii) 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.
- (xiv) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (xv) All communication in connection with Application for the Rights Equity Shares, including any change in address, contact details 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 (for Eligible Equity Shareholders who hold Equity Shares in physical form, as applicable, as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in address, contact details 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, as applicable.
- (xvi) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- (xvii) Please note that subject to SCSBs complying with the requirements of SEBI ICDR Master Circular 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.
- (xviii) It is also 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.
- (xix) 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.
- (xx) Ensure that the demographic details such as address, PAN, DP ID, Client ID, folio number, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail 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 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 or Registrar or 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) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- (xxi) By signing the Application Forms, 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.
- (xxii) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (xxiii) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (xxiv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (xxv) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (xxvi) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (xxvii) Do not submit multiple Applications.
- (xxviii) An Applicant 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.
- (xxix) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

j) Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (i) DP ID, folio number and Client ID mentioned in Application does not match with the DP ID, folio number and Client ID records available with the Registrar.
- (ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (iii) Sending an Application to our Company, the Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

- (vi) Account holder not signing the Application or declaration mentioned therein.
- (vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (viii) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (ix) 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).
- (x) 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.
- (xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (xii) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (xiii) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (xv) 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.
- (xvi) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (xviii) Application from Investors that are residing in U.S. address as per the depository records (other than in reliance with Reg S).
- (xix) Applicants not having the requisite approvals to make application in the Issue.

k) Multiple Applications

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, 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. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, please refer to "**Investment by Mutual Funds**" beginning on page 107 of this Draft Letter of Offer.

In cases where multiple Applications are submitted, including cases where an (a) Investor submits Application Forms along with a plain paper Application, or (b) multiple plain paper Applications, or (c) multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected (other than multiple applications that may be submitted by any of the Promoters or members of the Promoter Group as described in "**Summary of the Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)**" on page 24.

I) Procedure for Applications by certain categories of Investors

Application by FPIs

In terms of applicable FEMA NDI 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 or restrictions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, FPIs, 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 offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Application by AIFs, FVCIs, VCFs and FDI route

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. Further, Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Application by NRIs

Investments by NRIs are governed by FEMA NDI Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per Rule 12 of the FEMA NDI Rules read with Schedule III of the FEMA NDI Rules, an NRI or 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.

However, in compliance with the FEMA NDI Rules, the aggregate ceiling of 10% may be raised to 24%, by a special resolution to that effect passed by members of the Company.

Further, in accordance with Press Note 3 of 2020, the FDI Policy ("**Press Note**") has been recently amended to state that all investments by entities incorporated in 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 ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the Press Note whether or not an issuance of the Right Shares to Restricted Investors will also require a 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 of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Application by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

m) Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "*Basis of Allotment*" beginning on page 119 of this Draft Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares.

n) Last date for Application

The last date for submission of the duly filled in Application Form or a plain paper Application is [●], i.e. Issue Closing Date. Our Board or Fund Raising Committee may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application together with the amount payable is either (i) not blocked with an SCSB; (ii) not received by the Bankers to the Issue on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof; or (iii) not uploaded with Stock Exchange, 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 Equity Shares hereby offered, as provided under "*Terms of the Issue - Basis of Allotment*" beginning on page 119 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 Exchange. Please ensure that the 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.

o) 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, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

p) Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof 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 2 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS:

Rights Entitlement ("REs")

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., [●], are entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue at www.mpms.mufg.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company: www.acesoftex.com.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by

such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date in dematerialised form only. Further, if no Application is made by the Eligible Equity Shareholders or the Renouncee of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market or off-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 and apply for Equity Shares offered under Rights Issue, if they want to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If the 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, 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. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat escrow account (namely, “[●]”) 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 Resident 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; or (f) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (g) non-institutional equity shareholders in the United States.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

The 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.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form, as applicable, as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders 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 Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), 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.

In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

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 accepts 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.

(i) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange 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 ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlement. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange 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., [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(ii) Off Market Renunciation

The Eligible Equity Shareholders 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 dematerialised form only.

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their Depository Participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their Depository Participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

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.

V. MODES OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account 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 finalization 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 Application Form.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility. Applicants are requested to strictly adhere to these instructions.

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 NDI Rules and requirements prescribed by RBI and subject to the following:

- a) 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.
- b) Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA NDI Rules and requirements prescribed by the RBI.
- c) Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB.

Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

- d) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.
- e) In case of an Application Form received from the 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. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursement, if any shall be credited to such account.

VI. PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, see “*The Issue*” beginning on page 47.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date.

Record date for Call and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchange for the purpose of determining the list of holders of the Rights Equity Shares to whom the notice for the Call would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the Call has been made may be suspended prior to the Call Record Date.

Procedure for Call for Rights Equity Shares

Our Company would convene a meeting of our Board to pass the required resolutions for making the Call and suitable intimation would be given by our Company to the Stock Exchange. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Gujarati language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is situated), all with wide circulation.

The Call shall be deemed to have been made at the time when the resolution authorizing such Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given notice in advance for the payment of the Call. The Board may, from time to time at its discretion, extend the time fixed for the payments of the Call. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Call, and if it does not receive the Call Money as per the timelines stipulated, the defaulting holders of the Rights Equity Shares will be liable to pay interest

as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Call made.

The Company will make Calls, the last of which will be on or before 12 months from the date of allotment and if any applicant fails to pay the call money within this timeline, the equity shares on which there are calls in arrears, along with the subscription money already paid on such shares, shall be forfeited.

Payment of Call Money

In accordance with the SEBI ICDR Master Circular regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Monies using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Monies, in the Investors ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Monies.

Separate ISIN for Rights Equity Shares

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN. The ISIN representing the Rights Equity Shares will be terminated after the Issue Closing Date.

Rights of instrument holder

Each Rights Equity Share shall rank *pari passu* with the existing Equity Shares of the Company, once fully paid-up.

Terms of Payment

The Issue Price of ₹[●]/- per Rights Equity Share (including premium of ₹[●]/- per Rights Equity Share) shall be payable as follows:

Amount payable per rights equity share ⁽¹⁾	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]
On one or more subsequent Call(s) as determined by our Board / Fund Raising Committee at its sole discretion, from time to time*	[●]	[●]	[●]
Total	10.00	[●]	[●]

**To be paid at such time as may be determined by the Board at its sole discretion.*

Rights Equity Shares in respect of which the Call payable remains unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

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.

Fractional Entitlements

Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date. For Rights 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 Share(s) or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement, if any.

Eligible Shareholders holding less than [●] Equity Shares as on Record Date shall have 'Zero' entitlement in the issue. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the Allotment of 1 (one) Additional Rights Equity Share, if such Equity Shareholders have applied for the Additional Rights Equity Shares. However, they cannot renounce the same to third parties. Application Forms with zero entitlement will be non-negotiable/non-renounceable.

Ranking

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and Memorandum of Association and the Articles of Association provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulation. Our Company has received in-principle approval from BSE through a letter dated [●] for listing of the Rights Equity Shares to be Allotted in this Issue. Our Company will apply to BSE for final approval 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 the Issue will trade after the listing thereof.

The existing Equity Shares of our Company are listed and traded under the ISIN: INE849B01010 on BSE (Scrip Code: ACESOFT). The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading

schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, forthwith refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, then our Company and every Director who is an officer in default shall, on and from such expiry of fourth day, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law.

Rights of holders of Equity Shares

Subject to applicable laws, the Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to vote in person, or by proxy;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to receive surplus on liquidation;
- e) The right of free transferability of Equity Shares;
- f) The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited/restricted by law; and
- g) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the 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 Equity Shares offered in the 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 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its respective Depository Participant.

Arrangements for disposal of Odd Lots

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

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 Listing Regulations, with effect from April 01, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

Notices

Our Company will send, through email and registered/speed post, the Letter of Offer, the Rights Entitlement Letter, Application Form and other Issue Materials only to the Eligible Equity Shareholders who have provided an Indian address to our Company. 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 physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Draft Letter of Offer, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue Materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and a Gujarati language daily newspaper (Gujarati being the regional language in the place where our Registered Office is located).

This Draft Letter of Offer, the Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors:

As per Rule 7 of the FEMA NDI Rules, 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 20, 2025, as amended from time to time 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 acesoftware.rights2025@in.mpms.mufg.com or physically/postal means at the address of the Registrar to the Issue, MUFG Intime India Private Limited. 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 Letter of Offer, the Rights Entitlement Letter and 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 and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Our Board may at its absolute discretion agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue by submitting their respective copies of self-attested proof of address, passport, etc. at acesoftware.rights2025@in.mpms.mufg.com.

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. FOR DETAILS, PLEASE REFER TO "ALLOTMENT ADVICES/ REFUND ORDERS/ UNBLOCKING OF ASBA ACCOUNTS" BEGINNING ON PAGE 120 OF THIS DRAFT LETTER OF OFFER.

VIII. ISSUE SCHEDULE

Event	Indicative Date
Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation Rights [#]	[●]
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)	[●]

[#]*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 Fund-Raising Committee thereof, will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, 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 clear 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 escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, 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.mpms.mufig.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.mpms.mufig.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.acesoftex.com).

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part, as adjusted for fractional entitlement.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment

under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis in consultation with the Designated Stock Exchange, as part of the Issue and will not be a preferential allotment.

- e) Allotment to any other person, that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, the decision of our Board in this regard shall be final and binding.
- f) After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

- 1) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- 2) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 3) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICES / REFUND ORDERS / UNBLOCKING OF ASBA ACCOUNTS

Our Company will issue and send/dispatch Allotment Advice, refund intimations/instructions, if applicable or demat credit of securities and/or letters of regret, by e-mail or registered post or speed post, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the allotted Rights 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, as applicable, on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the finalization of basis of allotment. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through a mail, to the Indian mail 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, unblocking 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 Rights Equity Shares in the Issue and is allotted a lesser number of Rights 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/unblocking of fund beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company 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. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

XI. 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 unblocking amounts blocked using ASBA facility.

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 Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 2 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Right Equity Shares in Dematerialised 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 CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, 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:

- a) Tripartite Agreement between our Company, National Securities Depository Limited and the Registrar to the Company dated August 31, 2020.
- b) Tripartite Agreement between our Company, Central Depository Service India Limited and the Registrar to the Company dated July 13, 2020.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- a) 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 each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- b) 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.
- c) The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's Depository Participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's Depository Participant.
- d) If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- e) The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense.
- f) Shares are with IEPF authority/ in suspense, etc.). The allotment advice or refund order (if any) or unblocking advice would be sent by e-mail or registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company 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.
- g) Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- h) Non-transferable Allotment Advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- i) Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" beginning on page 98 of this Draft Letter of Offer.

XIII. 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:

- i *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- ii *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*
- iii *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, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

XIV. UTILIZATION OF ISSUE PROCEEDS

Our Board of Directors declares that:

- a) All monies received out of the Issue shall be transferred to a separate bank account;
- b) Details of all monies utilized out of the Issue referred to in clause (i) above shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue referred to in clause (i) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- a) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- b) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by SEBI.
- c) The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

- d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- e) No further issue of securities shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription, etc. other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- f) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- g) Adequate arrangements shall be made to collect all ASBA Applications.
- h) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- i) As on date our Company does not have any convertible debt instruments.
- j) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- k) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes enquiries to ascertain such facts.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "**Risk Factors**" beginning on page 27 of this Draft Letter of Offer.

All enquiries in connection with this Draft Letter of Offer, Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP 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 "**Ace Software Exports Limited – Rights Issue**" on the envelope to the Registrar at the following address:

MUFG Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (west),

Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 8108114949

Email: acesoftware.rights2025@in.mpms.mufg.com

Website: www.mpms.mufg.com

Contact Person: Ms. Shanti Gopalkrishnan

In accordance with SEBI ICDR Master Circular, 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 of the Issue i.e. www.mpms.mufg.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 8108114949.

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.mpms.mufig.com. .
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar to the Issue i.e. MUFG Intime India Private Limited: www.mpms.mufig.com. .
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form, as applicable: www.mpms.mufig.com; and
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders: www.mpms.mufig.com. .

The Issue will remain open for minimum period of 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 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**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 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 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 between FEMA and such policy pronouncements, 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 the 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 Takeover 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.

The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on a rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been de-recognised as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

As per Rule 12 of the FEMA NDI Rules read with Schedule III of the FEMA NDI Rules, an NRI or 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.

However, in compliance with the FEMA NDI Rules, the aggregate ceiling of 10% has been raised to 24%, by a special resolution to that effect passed by members of the Company, at their meeting held on July 05, 2024.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non- institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

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

SECTION VII – OTHER INFORMATION

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 into more than two years before 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. These contracts and also the documents for inspection referred to hereunder, will be available for inspection at the registered office of the Company from the date of the Draft Letter of Offer until the Issue Closing Date.

A. Material contracts for inspection:

1. The Registrar Agreement dated September 26, 2025 entered into amongst our Company and the Registrar to the Issue.
2. Banker to the Issue Agreement dated September 26, 2025 entered amongst our Company, Registrar to the Issue and Banker to the Issue.
3. Monitoring Agency Agreement dated September 26, 2025 entered amongst our Company and Monitoring Agency.

B. Material documents for inspection:

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated August 17, 1994, and certificate of commencement of business dated September 23, 1994.
3. Resolution of the Board of Directors dated September 26, 2025, in relation to the Issue authorization.
4. Annual Reports of the Company for the last three years.
5. Resolution of the Board of Directors dated September 26, 2025 approving and adopting the Draft Letter of Offer.
6. Resolution of the Board of Directors dated [●] finalizing the terms of the Issue including Issue Price and the Rights Entitlement Ratio.
7. Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
8. Statement of Special Tax Benefits dated September 26, 2025 available to our Company and its shareholders under the applicable laws in India issued by our Statutory Auditor.
9. Tripartite Agreement dated August 31, 2020 between our Company, NSDL and the Registrar to the Company.
10. Tripartite Agreement dated July 13, 2020 between our Company, CDSL and the Registrar to the Company.
11. In principle listing approval dated [●] issued by BSE.
12. Valuation Report dated September 26, 2025 issued by Devang S. Thakar, Registered Valuer (SFA) (RV No. IBBI/RV/03/2022/14881) calculating the fair value of equity shares of TEPL.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act and the rules made there under. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Amit Mansukhlal Mehta Managing Director DIN: 00432898	Sd/- Vikram Bhupat Sanghani Chairman Emeritus & Whole Time Director DIN: 00183818
Sd/- Sanjay Harilal Dhamsania Whole Time Director DIN: 00013892	Sd/- Rahul Jayantibhai Kalaria Whole Time Director DIN: 00432774
Sd/- Divyeshkumar Babulal Aghera Independent Director DIN: 09308587	Sd/- Sanjiv Pravinchandra Punjani Independent Director DIN: 00418869
Sd/- Malini Mitesh Shah Independent Director DIN: 10721410	Sd/- Dharmesh Chandulal Dadhania Independent Director DIN: 10720100

SIGNED BY OUR CHIEF FINANCIAL OFFICER

Sd/-

Jyotin Bhadrakant Vasavada

Date: September 26, 2025

Place: Rajkot, Gujarat.