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# SYSTANGO TECHNOLOGIES LIMITED

(Formerly known as Systango Technologies Private Limited)

Our Company was originally incorporated as “Bushcare Overseas Private Limited” on September 17, 2004 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chattisgarh with CIN U51109MP2004PTC016959. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on August 11, 2006, the name of our Company was changed from “Bushcare Overseas Private Limited” to “Systematix Technocrats Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Madhya Pradesh and Chattisgarh vide letter dated August 18, 2006. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on May 05, 2016, the name of our Company was changed from “Systematix Technocrats Private Limited” to “Systango Technologies Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Gwalior vide letter dated May 18, 2016. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on December 13, 2022 our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Systango Technologies Private Limited” to “Systango Technologies Limited” vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated December 27, 2022 issued by the Registrar of Companies, Gwalior bearing CIN U51109MP2004PLC016959. For further details please refer to chapter titled “History and Corporate Structure” beginning on page 122 of the Red Herring Prospectus dated February 21, 2023 filed with Registrar of Companies (RoC).

**Registered Office:** Third Floor (LHS), STP-I Crystal IT Park, Ring Road, Indore 452010, Madhya Pradesh, India. **Tel No:** +91 0731 2971030; **E-mail:** cs@systango.com; **Website:** www.systango.com; **CIN:** U51109MP2004PLC016959 **Contact Person:** Apurva Mishra, Company Secretary & Compliance Officer

## OUR PROMOTERS: VINITA RATHI AND NILESH RATHI

## THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 38,68,800 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF SYSTANGO TECHNOLOGIES LIMITED (“OUR COMPANY” OR “THE ISSUER” OR “STL”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH 1,96,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 36,72,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HERE IN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.37% AND 25.03% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

- **QIB PORTION:** NOT MORE THAN 50.00% OF THE NET ISSUE
- **RETAIL PORTION:** NOT LESS THAN 35.00% OF THE NET ISSUE
- **NON-INSTITUTIONAL PORTION:** NOT LESS THAN 15.00% OF THE NET ISSUE
- **MARKET MAKER PORTION:** UPTO 1,96,800 EQUITY SHARES OR 5.00% OF THE ISSUE

**PRICE BAND: RS. 85 TO RS. 90 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH**  
**THE FLOOR PRICE IS 8.5 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 9.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**  
**BIDS CAN BE MADE FOR A MINIMUM OF 1600 EQUITY SHARES AND IN MULTIPLES OF 1600 EQUITY SHARES THEREAFTER.**

## Risks to Investors:

- **We are dependent on a few customers for a major part of our revenues. Further we do not have any long-term commitments from customers and any failure to continue our existing arrangements could adversely affect our business and results of operations**
- **The Merchant Banker associated with the Issue has handled 21 public issue in the past three years out of which 1 Issue closed below the Issue Price on listing date.**
- **Average cost of acquisition of Equity Shares held by the Individual Promoters is**

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)*
1.	Nilesh Rath	52,23,990	Nil
2.	Vinita Rath	53,21,000	Nil

\*Based on FIFO Method

and the Issue Price at the upper end of the Price Band is Rs. 90 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2022 for the company at the upper end of the Price Band is 13.66
- Weighted Average Return on Net worth for Fiscals 2022, 2021 and, 2020 is 47.26%
- The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)*	Upper end of the Price Band (Rs. 90) is ‘X’ times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year/ Last 18 months	Nil	Nil	Nil
Last 3 years	Nil	Nil	Nil

\*Weighted average cost of acquisition has been calculated by consolidation of equity shares.

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 85)	Cap price (i.e. ₹ 90)
WACA of Primary Issuance (except for bonus issue) (exceeding 5% of the pre issue capital)	NA	NA	NA
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA	NA	NA
WACA of past 5 primary issuances / secondary transactions in last 3 years	Nil	Not Defined	Not Defined

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and Equity Qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is 8.5 times the face value at the lower end of the Price Band and 9.0 times the face value at the higher end of the Price Band. Investors should also refer to “**Our Business**”, “**Risk Factors**”, “**Financial Information of the Company**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 102, 25, 147 and 196, respectively of the Red Herring Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS

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

- Qualified and Experienced Promoters and Employee base
  - Diversified revenue from multiple geographies
  - Diversified Client base
  - End-to-end solutions and support
  - Strong User Interface (UI)/ User Experience (UX) Design Capabilities and hyper-focus on customer success
- For further details, see “**Our Business-Our Business Strength**” on page 103 of the Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to our Company has been derived from the Restated Consolidated Financial Statements of our Company. For further details, see “**Restated Financial Information of the Company**” beginning on page 147 of the Red Herring Prospectus.

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

- Basic & Diluted Earnings per share (EPS) (Face value of ₹10 each):

As per the Restated Consolidated Financial Statements;

Sr. No.	Period	Consolidated (Amount in Rs.)	Weights
1.	Period ending March 31, 2022	6.59	3
2.	Period ending March 31, 2021	5.52	2
3.	Period ending March 31, 2020	2.33	1
	<b>Weighted Average</b>	<b>5.52</b>	
	Period ending September 30, 2022	4.04	

### Notes:

- The figures disclosed above are based on the Restated Consolidated Financial Statements of the Company as adjusted with the effect of issue of Bonus shares.
- The face value of each Equity Share is Rs.10.00.
- Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Consolidated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/period
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/period.

### 2. Price Earning (P/E) Ratio in relation to the Price Band of ₹85 to ₹90 per Equity Share:

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2022.	12.90	13.66
P/E ratio based on the Weighted Average EPS, as restated.	15.40	16.30

### 3. Average Return on Net worth (RoNW)\*

Sr. No	Period	Consolidated	Weights
1.	Period ending March 31, 2022	39.89%	3
2.	Period ending March 31, 2021	55.53%	2
3.	Period ending March 31, 2020	52.83%	1
	<b>Weighted Average</b>	<b>47.26%</b>	
	Period ending September 30, 2022	19.62%	

\*Restated Profit after tax/Net Worth

### Note:

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

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

(₹ in lakhs)

Sr. No.	NAV per Equity Share*	Amount in Rs.
a)	As at March 31, 2022	16.53
b)	As at March 31, 2021	9.94
c)	As at March 31, 2020	4.41
d)	As at September 30, 2022	20.59
e)	NAV per Equity Share after the Issue	
	(i) At Floor Price	37.58
	(ii) At Cap Price	38.90
f)	Issue Price	[●]

\*The above NAV has been calculated giving the effect of Bonus Shares

### Note:

- The NAV per Equity Share has been computed by dividing restated network with weighted average number of equity shares outstanding at the end of the year/period.

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

Name of Company	Current Market Price (Rs.)	Face Value (Rs.)	EPS * (Rs.) Basic Diluted	PE	RoNW (%)	Book Value (Rs.)	Total Income (Rs. in crores)
Systango Technologies Ltd.	[●]	10.00	6.59 6.59	[●]	39.89%	16.53	2239.39
Peer Group							
InfoBeans Technologies Ltd	549.50	10.00	22.82 22.62	24.29	23.88%	95.06	28.898
Innovana Thinkdabs Limited	669.00	10.00	20.46 20.46	32.70	24.92%	84.03	6.192
Ksolves India Ltd	441.55	10.00	12.88 12.88	34.28	93.63%	14.17	4.833

### Notes:

- Source – Annual report of the company for the year 2022 and stock exchange data dated January 20, 2023. For our Company, we have taken CMP as the issue price of equity share. Further, P/E Ratio is based on the CMP of the respective scrip’s.
- The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Consolidated Financial Statement for the Financial Year 2021-22 as adjusted with the effect of Bonus Issue.
- NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares as adjusted with the effect of Bonus Issue.
- P/E Ratio of the company is based on the Annual report of the company for the year 2022 and stock exchange data dated January 20, 2023.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

### 6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 18, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by R K Jagetiya & Co. Chartered Accountants, by their certificate dated January 18, 2023.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 102 and 196, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of the Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI/ICDR Regulations.

### Key Performance Indicators of our Company

Key Financial Performance	Six months period ended September 30, 2022*	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations(1)	2239.39	3268.80	2298.96	1428.45
Growth in Revenue from Operations(2)	NA	42.19%	60.92%	17.26%
EBITDA(3)	641.67	744.61	627.33	304.07
EBITDA Margin(4)	28.65 %	22.78 %	27.29 %	21.29 %
PAT	436.18	712.09	595.83	251.88
PAT Margin(5)	19.48%	21.78%	25.92%	17.63%
Net Worth (6)	2223.53	1785.16	1073.07	476.81
RoE(%) (7)	21.76%	49.83%	76.89%	66.74%
RoCE (%) (8)	23.20%	47.62%	66.30%	61.38%

\*Not Annualised

### Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
- Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income
- ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations
- ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account
- Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings (current & non-current).

### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business

PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

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

(Rs. In Lakhs except percentages and ratios)

Key Financial Performance	Systango Technologies Limited				InfoBeans Technologies Limited				Innovana Thinkdabs Limited				Ksolves India Ltd			
	Six months period ended Sept-ember 30, 2022	FY 2021-22	FY 2020-21	FY 2019-20	Six months period ended Sept-ember 30, 2022	FY 2021-22	FY 2020-21	FY 2019-20	Six months period ended Sept-ember 30, 2022	FY 2021-22	FY 2020-21	FY 2019-20	Six months period ended Sept-ember 30, 2022	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations (1)	2,239.39	3,268.80	2,298.96	1,428.45	19,566.00	27,141.00	18,034.00	15,658.00	2,901.76	5,758.31	5,659.91	6,430.38	3,501.49	4,706.86	2,821.54	1,013.23
Growth in Revenue from Operations (2)	-	42.19 %	60.92 %	17.26 %	-	50.50 %	15.17 %	35.55 %	-	1.74 %	-11.98 %	42.47 %	-	66.82 %	178.47 %	NA
EBITDA (3)	641.67	744.61	627.33	304.07	4195.67	6748.00	3844.00	2910.00	759.14	2564.00	1609.00	1999.00	1521.85	1997.49	1219.51	119.56
EBITDA Margin(4)	28.65 %	22.78 %	27.29 %	21.29 %	21.44 %	24.86 %	21.32 %	18.58 %	26.16 %	44.53 %	28.43 %	31.10 %	43.46 %	42.44 %	43.22 %	11.80 %
PAT	436.18	712.09	595.83	251.88	2,188.00	5,505.00	3,683.00	2,117.00	663.72	2,146.11	1,555.36	2,103.36	1,120.81	1,572.79	893.80	67.82
PAT Margin(5)	19.48 %	21.78 %	25.92 %	17.63 %	11.18 %	20.28 %	20.42 %	13.52 %	22.87 %	37.28 %	27.48 %	32.71 %	32.01 %	33.41 %	31.68 %	6.69 %
Net Worth (6)	2,223.53	1,785.16	1,073.07	476.81	25,530.00	23,054.00	18,103.00	14,444.00	9,149.49	8,613.02	6,644.25	4,986.73	1,824.40	1,679.72	1,336.25	87.65

\*\*Not Annualised

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

### Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected
- Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income
- ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations
- ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

### 8. Weighted average cost of acquisition

- The price per share of our Company based on the primary/ new issue of shares (equity/convertible securities) There has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue on October 28, 2022 during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.
- The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares) There have been no secondary sale/acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

### Primary Transactions:

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

Date of Allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 28, 2020	5,40,000	10	Nil	Bonus Issue in the ratio of 54:1	Other than Cash	Nil
October 13, 2020	2,15,00,000	1	Nil	Bonus Issue in the ratio of 43:11	Other than Cash	Nil
October 28, 2022	81,00,000	10	Nil	Bonus Issue in the ratio of 3:1	Other than Cash	Nil

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

Date of transfer	Name of transferor	Name of transferee	No. of Equity shares	Face value of Equity Shares	Price Per Equity Share	Nature of transaction	Nature of consid-eration	Total Consid-eration (in ₹)
October 10, 2022	Nilesh Rath	Bhuvan Dani	(39,000)	10	86.09	Transfer of shares	Cash	33,57,510
October 10, 2022	Vinita Rath	Nilesh Kumar Jha	(1,200)	10	86.09	Transfer of shares	Cash	1,03,308
		Hitesh Chouhan	(21,000)	10	86.09	Transfer of shares	Cash	18,07,890
November 14, 2022	Nilesh Rath	Priyesh Rath	(9200)	10	-	Transfer of shares by way of Gift	-	Nil
		Suresh Chand Rath	(10)	10	-	Transfer of shares by way of Gift	-	Nil
November 14, 2022	Vinita Rath	Mayur Khandelwal	(1,000)	10	-	Transfer of shares by way of Gift	-	Nil

BID/ ISSUE PROGRAM

BID/ ISSUE OPENS ON<sup>(1)</sup>: THURSDAY, MARCH 02, 2023

BID/ ISSUE CLOSES ON: MONDAY, MARCH 06, 2023

(1)Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Biding Date shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.

In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(I) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI (ICDR) Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 242 of the Red Herring Prospectus.


**Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/ Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/ Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/ Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk. Bidders/ Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBOT Notification dated February 13, 2020 and press release dated June 25, 2021.**

ASBA<sup>\*</sup>



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

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

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



UPI-Now available in ASBA for Retail Individual Investors (RII) \*\*  
Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DP&s & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.  
Investors have to apply through the ASBA process. “ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section “**Issue Procedure**” beginning on page 242 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India (“AIBI”), the Stock Exchanges and in the General Information Document.  
\*ASBA forms can be downloaded from the website of NSE (“NSE Emerge”)  
\*\*List of banks supporting UPI is also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). Axis Bank Limited has been appointed as Sponsor Bank for the Issue, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail Id- [ipo.upi@npci.org.in](mailto:ipo.upi@npci.org.in). For the list of UPI Apps and Banks live on IPO, please refer to the link [www.sebi.gov.in](http://www.sebi.gov.in). For issue related grievance investors may contact: Hem Securities Limited-Mr. Ajay Jain (+91 22 -49060000) (Email Id: [ib@hemsecurities.com](mailto:ib@hemsecurities.com)).

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <div><b>HEM SECURITIES LIMITED</b> <b>Hem Securities Ltd.</b> Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India Tel No.: +91-22-4906 0000 Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> Contact Person: Mr. Ajay Jain SEBI Reg. No.: INM000010981</div>	 <div><b>BIGSHARE SERVICES PRIVATE LIMITED</b> Address: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, India. Tel No.: +91 22 6263 8200 Facsimile: +91 22 6263 8299 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Contact Person: Mr. Babu Rapheal Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> SEBI Registration Number: MB/INR000001385</div>	 <div><b>Apurva Mishra</b> <b>Systango Technologies Limited</b> Address: Third Floor (LHS), STP-I Crystal IT Park, Ring Road, Indore 452010, Madhya Pradesh, India. Tel. No.: 0731 2971030 Email: <a href="mailto:cs@systango.com">cs@systango.com</a> Website: <a href="http://www.systango.com">www.systango.com</a> CIN: U51109MP2004PLC016959</div> <div>Investors can contact the Company Secretary and Compliance Officer or the BRLMs or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.</div>

**AVAILABILITY OF RED HERRING PROSPECTUS:** Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the Company at [www.systango.com](http://www.systango.com), the website of the BRLMs to the Issue at [www.hemsecurities.com](http://www.hemsecurities.com), the website of NSE Emerge at [https://www1.nseindia.com/emerge/index\\_sme.htm](https://www1.nseindia.com/emerge/index_sme.htm) respectively.

**AVAILABILITY OF BID-CUM-APPLICATION FORMS:** Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Systango Technologies Limited, Telephone: +91-0731-2971030; BRLMs: Hem Securities Limited, Telephone: +91-22-4906 0000 and the Syndicate Members: Hem Finlease Private Limited, Telephone: +91 022-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of NSE Emerge and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

**ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC ISSUE ACCOUNT BANK/ SPONSOR BANK:** Axis Bank Limited.

**LINK TO DOWNLOAD ABRIDGED PROSPECTUS:** <https://www.systango.com/investors/systango-abridged-prospectus.pdf>

**UPI:** Retail Individual Bidders can also Bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

Place : Indore, Madhya Pradesh  
Date : February 24, 2023

On behalf of Board of Directors  
Systango Technologies Limited  
Sd/-  
Vinita Rath  
Managing Director

**Disclaimer:** Systango Technologies Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and the Red Herring Prospectus dated February 21, 2023 has been filed with the Registrar of Companies, Gwalior and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE Emerge at [https://www1.nseindia.com/emerge/index\\_sme.htm](https://www1.nseindia.com/emerge/index_sme.htm) and is available on the websites of the BRLMs at [www.hemsecurities.com](http://www.hemsecurities.com). Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled “**Risk Factors**” beginning on page 25 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in “offshore transactions” in reliance on Regulation “S” under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

d) Weighted average cost of acquisition, floor price and cap price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ 85)	Cap price* (i.e. ₹ 90)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA ^	NA ^	NA ^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA ^ ^	NA ^ ^	NA ^ ^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8 (c) above	NIL	Not Defined	Not Defined

**Note:**

^ There were no primary / new issue of shares (equity/ convertible securities) other than Equity Shares issued pursuant to a bonus issue on October 28, 2022, in last 18 months and three years prior to the date of the Red Herring Prospectus.

^ ^ There were no secondary sales / acquisition of shares of shares (equity/ convertible securities) other than Shares transfer on October 10, 2022 and November 14, 2022, in last 18 months from the date of the Red Herring Prospectus.

**9. The Issue price is [●] times of the face value of the Equity Shares.**

The Issue Price of [●] has been determined by our Company in consultation with the BRLM, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “**Risk Factors**”, “**Our Business**”, and “**Restated Financial Information of the Company**” on pages 25, 102, and 147 respectively of the Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “**Risk Factors**” and you may lose all or part of your investments.

For further details, please see the chapter titled “Basis for Issue Price” beginning on page 78 of the Red Herring Prospectus.

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects and other objects of our Company, see “**History and Corporate Structure**” on page 122 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section “**Material Contracts and Documents for Inspection**” on page 304 of the Red Herring Prospectus.

**LIABILITY OF MEMBERS AS PER MOA:** The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

**AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE:** The Authorized share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the Company before the issue is Rs.10,80,00,000 divided into 1,08,00,000 Equity Shares of Rs. 10 each. For details of the Capital Structure, see “**Capital Structure**” on the page 58 of the Red Herring Prospectus.

**NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company, Priyesh Rath- 5,000 Equity Shares and Shailesh Bairagi– 5, 000 Equity Shares aggregating to 10,000 Equity Shares of Rs.10/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see “**History and Corporate Structure**” on page 122 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see “**Capital Structure**” on page 58 of the Red Herring Prospectus.

**LISTING:** The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the NSE (NSE Emerge). Our Company has received an ‘in-principle’ approval from the NSE for the listing of the Equity Shares pursuant to letter Ref.: NSE/LIST/2164 dated February 21, 2023. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited (NSE). A signed copy of the Red Herring Prospectus dated February 21, 2023 has been delivered for filing to the ROC and Prospectus shall be delivered for filing to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see “**Material Contracts and Documents for Inspection**” on page 304 of the Red Herring Prospectus.

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”):** Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. The Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 221 of the Red Herring Prospectus.

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

**GENERAL RISK:** Investments 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 an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 25 of the Red Herring Prospectus.